

CORNWALL THEATRE COMPANY LIMITED

England & Wales · Charity number 283545

Details

Other names ACORN ARTS CENTRE, THE ACORN THEATRE

Status Registered

Legal form Charitable company

Company number [01587249](#)

Registered 1982-01-10

Register [View on the Charity Commission register](#)

Contact

Address Cornwall Theatre Co Ltd
The Acorn
Parade Street
Penzance
TR18 4BU

Phone 07903938672

Email ADMIN@THEACORNPENZANCE.CO.UK

Website www.theacornpenzance.com

Activities

Objects: TO PROMOTE, MAINTAIN IMPROVE AND ADVANCE EDUCATION, PARTICULARLY BY THE ENCOURAGEMENT OF THE ARTS, INCLUDING THE ARTS OF DRAMA, BALLET, MUSIC, SINGING, LITERATURE, SCULPTURE AND PAINTING.

Activities: As the most westerly, all-year round arts venue in the country, The Acorn, Penzance delivers a wide range of quality cultural activities to a broad demographic. It exists to enhance the quality of life for the people, visitors and artists of West Cornwall, through the development and presentation of diverse performing arts to local people at affordable prices.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Cornwall

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£396,737	£466,994	-	-
2023-12-31	£439,508	£422,228	-	-
2022-12-31	£284,065	£298,651	-	-
2021-12-31	£116,908	£142,928	-	-
2020-12-31	£102,907	£90,037	-	-

Trustees

Name	Role	Appointed
PAUL NEVILLE MULLIN	Chair	2025-04-07
Alexander Sowerby		2022-01-17
Alva Katrina Davey		2024-06-17
Emily Louise Tibbles		2025-10-20
John Alexander Findlay		2025-11-17
Oliver David Hunter		2017-01-01
Timothy David Spencer George		2025-10-20

CORNWALL THEATRE COMPANY LIMITED

England & Wales - Charity number 283545

Accounts

Cornwall Theatre Company Limited

(A Company Limited by Guarantee)

Legal and Administrative Information

The full name of the charity is Cornwall Theatre Company Limited.

The charity is also known by the names The Acorn, Penzance and The Acorn.

Directors

Paul Mullin Chair to 31/03/2024; sabbatical)

Paul Inman (Chair from 01/04/2024)

Andrew Edmonds

Dave Hunter

Alex Sowerby

Jo Willsher

Alastair Johnston

Alva Davis (appointed 21/10/2024)

Independent Examiner: Dick Maule
The Cross House
South
Woodchester
GL5 5EL

Bankers: Lloyds TSB
Market
House
Penzance
TR18 2TN

Date of incorporation: 23rd September 1981

Company registration no: 1587249

Registered office: The Acorn
Parade Street
Penzance
Cornwall
TR18 4BU

Charity registration no: 283545

Introduction

In 2024, The Acorn experienced renewed momentum and positive engagement from both our audiences and community partners. Attendance at events grew significantly, demonstrating a deepening appreciation for live arts in West Cornwall.

This report presents a comprehensive overview of our operational, financial, and strategic performance during a year marked by both challenges and encouraging progress.

Operating Performance

The Acorn operated at near full event capacity throughout the year, welcoming an enthusiastic public to a rich and varied live arts programme.

Financially, our work was sustained good ticket sales and the continued support of Cornwall Council. However, the ongoing cost of living crisis presented obstacles, impacting both our audiences and operational expenses. Despite this, we responded proactively, adjusting ticket pricing and maintaining a commitment to accessibility, through our “pay what you are able” initiative to help us deliver on our primary charitable objective: bringing a diverse programme of live performing arts to local people at affordable prices.

Fundraising efforts remained robust. We benefitted from generous community donations and vital support from funding bodies including Cornwall Council, Penzance Town Council, and Arts Council England (via the Cultural Recovery Fund). Our fundraising partner, Two Green Magpies, played a crucial role in securing these resources. And plans for the continued physical improvement of our venue are also underway. A new staircase will soon enhance accessibility and audience flow.

We are proud to acknowledge the tireless contributions of our core staff, including our Theatre Manager, Richie, Theatre Assistant, Hannah, Social Media Lead, Nicola, and Sound Technician, Steve.

Our operations are underpinned by the unwavering dedication and good humour of over 60 volunteers and, of course, by our wonderful Trustees who keep us on track.

Governance and Strategy

The Board continued its development in 2024, welcoming a new Chair, Paul Inman, and Trustee Alva Davis, who began as a volunteer. Our trustees, all of whom serve without remuneration, bring passion and expertise to the dual roles of director and strategic advisor.

This year, the Board undertook a review of the Business Plan, aligning it with the post-pandemic environment and establishing a clear four-year vision focused on and expanding our affordable, live arts programme, supporting the development of Cornish artists, while maintaining financial stability and environmental sustainability.

Events and Audiences

Over the course of the year, The Acorn hosted 184 events, drawing an impressive total audience of 19,306. This diverse offering reflects our mission to serve as a cultural hub for the region, with programming spanning music, theatre, spoken word, children’s events, comedy, circus, and more.

Financial Overview

Our Balance Sheet improved overall from a total of £413,000 to £448,853, an increase of 8.6%, while Fixed Assets rose from £359,838 to £379,616, year on year, an increase of 5.4%.

Income from Charitable Activities rose over the year from £364,354 to £382,474, an increase of 5% whilst our total income rose from £439,508 to £497,846, an increase of over 13%.

Available Cash position remains healthy at £78,196 – in Operations; Capital Projects and Reserves Accounts.

Advance Ticket Sales at the year-end were reasonable at £11,631 and are held in a separate escrow account.

This has been achieved despite the extra burden of registering for VAT in respect of bar sales and the inclusion of PRS (Performing Right Society) fees.

The above figures include £10,000 support from Cornwall Council as a Strategic Arts Partner to support core costs and maintaining the Theatre as an Architectural and Cultural Asset.

We received £101,109 from the Levelling Up Fund (£86,109) administered by Cornwall Council and the Backstage Trust (£15,000) that enabled us to further improve the facilities of the Theatre on behalf of our customers.

We are indebted to the people of Penzance and Penwith, the organisations listed above and to Penzance Town Council and Cornwall Council for their continued support.

These figures reflect strong financial stewardship amid a complex economic landscape. Our commitment to future investment remains clear, with capital projects and sustainability initiatives requiring continued fundraising.

Organisational Structure and Management

Cornwall Theatre Company Limited is governed as a company limited by guarantee, in accordance with its Memorandum and Articles of Association. Our governance structures are regularly reviewed to ensure alignment with best practices and the evolving needs of the organisation. Trustees remain confident in the adequacy of our assets and the robustness of our forward planning.

Mission and Objectives

Our mission—to enrich the cultural life of Penzance and West Cornwall through accessible, high-quality live arts—remains unchanged. We continue to promote the performing arts through live events, participatory activities, and educational engagement, all offered with affordability and inclusion at their core.

Summary of Activities

Our programming in 2024 included 82 music performances, 25 theatre productions, 13 spoken word events, and a wide range of additional genres including dance, film, children's theatre, comedy and local cultural and literary festivals. These events engaged thousands of participants and fostered vibrant community involvement.

Genre	Number of Events	Attendance
Theatre	25	2,265
Music	82	6,769
Tribute	34	4,872
Fundraiser	3	329
Magic	1	160
Dance	1	112
Comedy	4	496
Spoken Word	13	2,480
Circus	4	341
Craft	1	N/A
Film	2	153
Children's	9	921
Panto	4	338
Private Hire	1	N/A
Totals	184	19,306

Volunteer Contributions

A cornerstone of our success is our extraordinary volunteer base. In 2024, 61 active volunteers contributed over 4,260 hours, offering essential support in event delivery, maintenance, and governance.

Valued conservatively at minimum wage, their efforts represent a contribution of approximately £52,014—an inspiring testament to community spirit.

Looking Ahead

Our future plans are both ambitious and achievable. Priorities include securing funding for additional administrative hours to reduce pressure on our current staff, continuing to schedule events up to nine months in advance, and enhancing our drama programme to attract larger acts.

Completion of our venue refurbishment—80% of which is already done—remains a strategic goal, with around £150,000 worth of investment still required. Recent improvements to lighting, heating, and toilet facilities will be followed by, in no particular order, upgrades to our PA system, Fire Alarm System, seating, stage, security systems, external lighting and a new staircase.

Sustainability is a central focus, so we are also actively exploring funding for solar panels, heat pumps, and a lift replacement to ensure carbon neutrality and full accessibility by 2030.

Governance will be further strengthened through ongoing trustee and volunteer recruitment, policy reviews, and the annual review of our strategy and business plan.

Reserves and Financial Planning

Our reserves policy aims to maintain a risk reserve of £36,000, equivalent to approximately three months of core running costs.

We continue to move toward shared income event models, with risks assessed on a case-by-case basis. Budgetary priorities include maintaining long-term viability in the face of increasing local competition, expanding programming, increasing reserves, and investing in community engagement and arts projects through targeted grant funding.

Forward Outlook

The 2025 to 2027 period will present continued challenges, but our strategy is clear, and our strong financial forecasting means that we can anticipate and respond to challenges ahead. We will broaden our event offerings, enhance marketing to generate increased audience numbers, and manage discretionary spending with care.

With Cornwall Council's annual grant of £10,000 and income generated from our charitable activities, we remain committed to operating with efficiency and purpose.

Trustees' Responsibilities

Trustees are responsible for selecting appropriate accounting policies, preparing accounts on a going concern basis, and ensuring compliance with relevant standards and legislation.

They are also charged with safeguarding the charity's assets, maintaining accurate records, and preventing fraud.

Accounts Preparation

The Trustees, in their capacity as directors, state that the accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

In so far as the trustees are aware there is no relevant information of which the charitable company's examiner is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

Signed:

Paul Mullin
Director and Chair, Board of Trustees (from 7th April 2025)

Date:

Independent Examiner's Report to the Trustees of CORNWALL THEATRE COMPANY LIMITED

I report on the accounts of the company for the year ended 31st December 2024 which are set out on pages 7 to 14.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dick Maule FCA

The Cross House, South Woodchester GL5 5EL

Date

CORNWALL THEATRE COMPANY LIMITED

Balance sheet as at 31st. December 2024

	Notes	2024		2023
		£	£	£
Fixed assets				
Tangible assets	2		379,616	<u>359,838</u>
Current assets				
Stock		9,620		5,000
Debtors and prepayments	3	(261)		16,707
Cash at bank and on hand		<u>78,196</u>		<u>41,886</u>
		87,555		63,593
Current liabilities				
Creditors: amounts falling due within 12 months	4	<u>(18,319)</u>		<u>(10,431)</u>
Net Current assets				
			69,237	53,162
Creditors: amounts falling due after 12 months	4		<u>-</u>	<u>-</u>
Net assets				
			<u>448,853</u>	<u>413,000</u>
Restricted funds				
			-	-
Unrestricted funds				
General funds			69,237	161,488
Designated funds			255,769	132,665
Revaluation Reserve				
			<u>123,847</u>	<u>118,847</u>
Total funds				
			<u>448,853</u>	<u>413,000</u>

For the year ended 31st December 2024

The company was entitled to the exemption from audit under section 477[2] of the Companies Act 2006

The members have not requested the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and for the preparation of the accounts.

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

These financial statements were approved by the Trustees on.....

On behalf of the Trustees

dated:-

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2024**

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	2023 £
Income from					
Investments: Interest receivable		801	-	801	907
Donations and legacies		3,462		3,462	806
Sponsorship		-	-	-	-
Insurance claim		-		-	63,440
Charitable activities:					
Grants and contracts	9	10,000	101,109	111,109	10,000
Income from theatre's activities	10	382,474	-	382,474	364,354
Total		<u>396,737</u>	<u>101,109</u>	<u>497,846</u>	<u>439,508</u>
Expenditure on:					
Charitable activities	11	190,946	-	190,946	171,741
Fundraising		8,142		8,142	5,051
Costs of generating theatre income	11	267,906	-	267,906	245,436
Total		<u>466,994</u>	<u>-</u>	<u>466,994</u>	<u>422,228</u>
Net income [expenditure] for the year		(70,256)	101,109	30,853	17,280
Transfers between funds		101,109	(101,109)	-	-
Other recognised gains/ [losses]					
Gains on revaluation of fixed assets		5,000	-	5,000	5,000
Net movement in funds:		35,853	-	35,853	22,280
Total funds at 1st. January 2024		<u>413,000</u>	<u>-</u>	<u>413,000</u>	<u>390,720</u>
Total funds at 31st. December 2024		<u><u>448,853</u></u>	<u><u>-</u></u>	<u><u>448,853</u></u>	<u><u>413,000</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024

(1) Principal Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

(a) Basis of preparation

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated by Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

[i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

[ii] Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

[iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

[i] Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

[ii] Donated services and facilities are included at the value to the charity where this can be quantified.

[iii] The value of services provided by volunteers has not been included in these accounts.

[iv] Investment income is included when receivable.

[v] Income from charitable trading activity are accounted for when earned.

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

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered

[i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

[ii] Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

[iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024

(1) Principal Accounting Policies

Freehold land and building was valued in 2016 by a qualified valuer.

The trustees are of the opinion that this valuation also reflects the situation at 31.12.21.

Other tangible fixed assets are written off over the expected useful life of the asset, on the straight line method for all items costing over £1,000.

Freehold building 2%

Equipment 10-20%

Note 2: Fixed Assets

	Freehold Land & Building	Fittings and Equipment	Total
Balance brought forward	338,847	270,104	608,951
Revaluation in the year	5,000	-	5,000
Additions in the year	<u>75,126</u>	<u>-</u>	<u>75,126</u>
	<u>418,973</u>	<u>270,104</u>	<u>689,077</u>
Depreciation			
Balance brought forward	88,847	160,266	249,113
charge for the year	<u>12,513</u>	<u>47,836</u>	<u>60,349</u>
	<u>101,360</u>	<u>208,102</u>	<u>309,462</u>
Net book value as at 31st December 2024	<u>317,613</u>	<u>62,003</u>	<u>379,616</u>
Net book value as at 31st December 2023	<u>250,000</u>	<u>109,838</u>	<u>359,838</u>

Note 3: Debtors and prepayments

Analysis of debtors	2024	2023
	£	£
VAT and Accounts receivable	<u>(261)</u>	<u>16,707</u>

Note 4: Accounts Payable and accruals

Analysis of Accounts Payable	2024	2023
	£	£
Other	1,721	-
Ticket sales in advance	10,207	8,643
Bank loan due within 12 months	-	-
Accounts Payable	5,865	1,263
Accruals and deferred income	<u>525</u>	<u>525</u>
Total	<u>18,319</u>	<u>10,431</u>
Falling due after 12 months		
Bank Loan	<u>-</u>	<u>-</u>

Note 5: Capital Commitments and contingent liabilities

There are no capital commitments this year.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024

Note 6: Employee information	2024	2023
Number of employees	1	1
No employee received emoluments of more than £60,000.	Nil	Nil

Note 7: Trustees information

Trustees remuneration and expenses for the year were nil (2023 - nil)

Note 8: Movement in Funds

	Balances brought forward	Income	Expenditure	Transfers	carried forward
Restricted funds	£	£	£	£	£
Grants					
Cornwall Council Levelling up		86,109.00		(86,109.00)	
Backstage Trust		15,000.00		(15,000.00)	
		<u>101,109</u>		<u>(101,109)</u>	
Revaluation Reserve	<u>118,847</u>	-	-	5,000	<u>123,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>132,665</u>	-	-	123,104	<u>255,769</u>
General Funds	<u>161,488</u>	<u>396,737</u>	<u>(466,994)</u>	<u>(21,995)</u>	<u>69,237</u>
Total Funds	<u><u>413,000</u></u>	<u><u>396,737</u></u>	<u><u>(466,994)</u></u>	<u><u>106,109</u></u>	<u><u>448,853</u></u>

The Revaluation Reserve reflects the building revaluation in 2016, depreciation on the building is transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve

Note 9: Unrestricted grants received	2024	2023
	£	£
Cornwall County Council	<u>10,000</u>	<u>10,000</u>

Note 10: Income from activities

Rental Income	8,645	7,353
Bar Takings	91,193	95,131
Box Office	281,345	261,230
Other	<u>1,290</u>	<u>640</u>
	<u><u>382,474</u></u>	<u><u>364,354</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024

Note 11:

Expenditure

	Charitable activities £	Total 2023 £
Wages	79,107	65,239
Rent, rates, waste and water	1,568	3,300
Insurance	5,618	4,779
Post, photocopier and stationery	1,106	1,548
Telephone	871	1,101
Repairs and maintenance	14,634	8,860
Independent examiners' fees	525	525
Depreciation	60,349	52,836
Cleaning and laundry	35	101
Grant funded support & freelance fees	8,517	13,674
Light and Heat	12,821	8,243
Legal and Professional	4,344	734
Non capitalised equipment		10,227
Hospitality	399	577
Trustees meetings and expenses		-
Sundry	1,053	-
Total	<u>190,946</u>	<u>171,741</u>
Theatre Company Operating Costs		
Bar Purchases	34,170	39,273
Commission and Charges	166,230	160,997
Bar staff and wages	29,026	26,249
Performing Rights Society	9,683	-
Bank and credit card charges	9,229	2,210
Advertising and Marketing	19,568	16,707
Total	<u>267,906</u>	<u>245,436</u>
Fundraising	<u>8,142</u>	<u>5,051</u>
Total expenditure	<u><u>466,994</u></u>	<u><u>422,228</u></u>

Note 12: Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Revaluation Reserve £	Total £
Fixed assets	-	-	255,769	123,847	379,616
Current assets	87,555	-	-	-	87,555
Current liabilities	(18,319)	-	-	-	(18,319)
Long term liabilities	-	-	-	-	-
	<u>69,237</u>	<u>-</u>	<u>255,769</u>	<u>123,847</u>	<u>448,853</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024

Note 13: Analysis of prior year funds to comply with FRS102.

CORNWALL THEATRE COMPANY LIMITED
Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2023

	Unrestricted Funds	Restricted Funds	Total Funds	
	2023	2023	2023	2022
	£	£	£	£
Income from				
Investments: Interest receivable	907	-	907	47
Donations and legacies	806		806	-
Sponsorship	-	-	-	1,025
Insurance claim	63,441		63,441	-
Charitable activities:				
Grants and contracts	10,000	-	10,000	57,642
Income from theatre's activities	<u>364,354</u>	<u>-</u>	<u>364,354</u>	<u>225,351</u>
Total	<u>439,508</u>	<u>-</u>	<u>439,508</u>	<u>284,065</u>
Expenditure on:				
Charitable activities	153,530	18,211	171,741	118,863
Fundraising	5,051		5,051	14,385
Costs of generating theatre income	<u>245,436</u>	<u>-</u>	<u>245,436</u>	<u>165,403</u>
Total	<u>404,017</u>	<u>18,211</u>	<u>422,228</u>	<u>298,651</u>
Net income [expenditure] for the year	35,491	(18,211)	17,280	(14,586)
Other recognised gains/ [losses]				
Gains on revaluation of fixed assets	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:	40,491	(18,211)	22,280	(9,586)
Total funds at 1st. January 2023	<u>372,509</u>	<u>18,211</u>	<u>390,720</u>	<u>400,306</u>
Total funds at 31st. December 2023	<u>413,000</u>	<u>-</u>	<u>413,000</u>	<u>390,720</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024

Note 13: Analysis of prior year funds to comply with FRS102.

Movement in Funds

Restricted funds	Balances brought forward £	Income £	Expenditure £	Transfers £	carried forward £
Grants					
Foyle Foundation	<u>18,211</u>	<u>-</u>	<u>(18,211)</u>	<u>-</u>	<u>-</u>
Revaluation Reserve	<u>113,847</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>118,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>135,695</u>	<u>-</u>	<u>-</u>	<u>(3,030)</u>	<u>132,665</u>
General Funds	<u>122,967</u>	<u>444,508</u>	<u>(404,017)</u>	<u>(1,970)</u>	<u>161,488</u>
Total Funds	<u><u>390,720</u></u>	<u><u>444,508</u></u>	<u><u>(422,228)</u></u>	<u><u>-</u></u>	<u><u>413,000</u></u>

CORNWALL THEATRE COMPANY LIMITED

England & Wales - Charity number 283545

Accounts

Cornwall Theatre Company Limited
(A Company Limited by Guarantee)

Legal and Administrative Information

The full name of the charity is Cornwall Theatre Company Limited.
The charity is also known by the names The Acorn, Penzance and The Acorn.

Directors

Paul Mullin (resigned 31/03/2024) (Chairperson to 31/03/2024)
Paul Inman (appointed 15/03/2023) (Chairperson from 01/04/2024)
Andrew Edmonds
Dave Hunter
Alex Sowerby
Jo Willsher
Alastair Johnston
Alva Davey

Independent Examiner: Dick Maule
The Cross House
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Bankers: Lloyds TSB
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Penzance
TR18 2TN

Date of incorporation: 23rd September 1981

Company registration no: 1587249

Registered office: The Acorn
Parade Street
Penzance
Cornwall
TR18 4BU

Charity registration no: 283545

THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

1. Introduction and context

2023 was a year when audience numbers at The Acorn recovered to pre-pandemic levels. There is still of course room for improvement, but we remain optimistic about the future. Many live arts performance venues in the UK are in a very different position.

Covid, of course, has not gone away: it is now endemic in the environment and continues to mutate. Thankfully, though, the vaccines have all but eliminated serious illness requiring hospital admission. We are now dealing with how the 'pandemic world' has changed human behaviours.

The purpose of this report is to describe in general terms how the charity has fared during 2023.

2. Operating Performance

In 2023, The Acorn has been fully functioning, and numbers attending events have been good. Thanks to our relatively healthy financial reserves and the annual support grant from Cornwall Council, the Charity was able to negotiate 2023 in good shape.

It should be noted, however, that the ongoing cost of living crisis presents challenges. Our audiences have been feeling the pinch, and finding suitably priced accommodation for acts as well as other added expenses has by necessity needed to be reflected in ticket pricing.

We have continued to focus on fundraising with the dual aims of staying viable and completing the theatre capital refurbishment programme. Thanks to the generosity of local people in making donations and supporting our Crowdfunder; core funding from Cornwall Council and Penzance Town Council; central government funding via the Culture Recovery Fund (CRF) administered by the Arts Council for England (ACE); and the tireless work of our fundraising partner, Two Green Magpies, in finding and securing grants from charitable bodies, The Acorn's future continues to look dynamic and positive.

Our Theatre Manager, Richard Cawley, continues to work long and extremely hard keeping the theatre running, project managing the adaptations and renovation works and generally keeping all concerned in order. We owe him a large thank you along with thanks to Hannah Temme, our brilliant Theatre Assistant, and social media guru, Nicola Venn, who also provide much needed and efficient support whilst also contributing much from their wealth of experience. Likewise, the freelance sound technician, Steve Warhurst, who works to keep the 'awe and wonder' side of productions in order. Many important things happen behind the scenes at the theatre – our bookkeeper Sue Rushforth, and Steve Revill ensuring the efficient payment of payroll and pensions are just two of our long-serving freelance and voluntary staff. Mention must also be made of the 50+ dedicated and highly competent volunteers, without whom we would not be able to function. We owe them a huge debt of gratitude.

Even throughout these still somewhat uncertain times, The Acorn has endeavoured to remain true to a commitment to provide a diverse programme of live arts entertainment and activities for local people at affordable prices. To this end we have implemented a 'pay what you are able' ticket pricing scheme on a regular basis for events, whereby less financially able audience members can pay what they can afford.

We have also focused spend on the upkeep of the fabric of our building in the heart of Penzance. Old buildings require ongoing care and attention, especially when providing for the diverse needs of audiences in the 21st Century. To this end, work is currently in hand to refurbish the cabaret bar and toilets, replace the existing lift, and provide a new staircase between the two performance spaces.

3. Governance

In 2023, the process of developing our Board of Trustees and maintaining our pool of volunteers continued, focusing on specific skills gaps and the ability to contribute time and energy to meet the Charity's Objects and Mission. A few trustees came and went, Paul Inman joined the board and is now Chairperson.

All the directors of the company are also trustees of the Charity, and their responsibilities include all the responsibilities of directors under the Companies Acts, and as trustees under the Charities Act. The directors receive no remuneration or expenses and are the only members of the company.

We reviewed our Business Plan in 2023 in light of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial and now have a clear and concise vision for the next four years.

4. Events & Audiences

2023 saw us being able to increase our number of shows from 124 to 172, with a total audience of 20,800 (see table below). We are planning to increase the number of events to around 200 in 2024.

5. Finances

A comparison with 2022 key financial metrics shows our recovery from the Covid-depressed years.

The Balance Sheet improved by 6% to £413,000 over the course of 2023 (2022: £390,720) with the net book value of fixed assets increasing by 12.4% to £359,839 (2022: £320,106), thanks to grants and reserves expended contributing to the refurbishment programme.

Income from Charitable Activities increased by a staggering 62%, year on year – a real indicator of our rate of recovery from the pandemic.

Our **liquid cash position** fell from £96,042 to a still healthy £41,886 as we spent grant income on building works and equipment.

Finally, Advance Ticket sales increased by 39% over 2022 to £8,643, indicating a recovery in confidence of local people after the pandemic.

The figures above include £10,000 support from Cornwall Council as a strategic arts partner to support core costs and maintaining the theatre as an architectural and cultural asset.

During 2023, we also received grants from the Culture Recovery Continuity Fund (managed by Arts Council England) and The Penzance Towns Deal Fund. We are extremely grateful for their generosity in supporting our cause.

We are indebted to the people of Penzance and Penwith and to the organisations listed above for their support – and especially to Penzance Town Council and Cornwall Council, for both their funding and strategic support.

6. Structure, Governance and Management

The charity is a company limited by guarantee and incorporated under the Companies Acts. Its governing document is its Memorandum and Articles of Association. The trustees continue to keep the governance of the charity under review, and endeavour to demonstrate best practice in all their actions.

After careful consideration, we are confident that the charity's assets are adequate to fulfil its obligations and cover risks in the coming year. We also continue to look ahead to be as prepared as we can be to deal with circumstances beyond our control.

OBJECTIVES AND ACTIVITIES OF THE CHARITY

7. A summary of the mission and objectives of the charity

Cornwall Theatre Company's mission is to provide and support life-enriching experiences for the community of Penzance and West Cornwall, through a diverse range of live performance arts that are exciting, inspiring and of high quality at affordable prices, whether as a participant or audience member.

The objectives of the charity include the promotion, improvement, advancement, education and encouragement of the performing arts in Penzance and West Cornwall. This is achieved by arranging and facilitating events within the venue to promote and advance the arts within local communities and by offering to the general public the opportunity to participate in and benefit from events and classes.

8. Statement of public benefit

The Trustees of the Acorn are satisfied that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission and that the directive of public benefit has been observed in all activities undertaken by the charity.

9. Summary of activities, participation and audience numbers

The charitable remit of The Acorn is to provide access to the arts to the local community of Penzance and West Cornwall, both as audience members and as participants. During 2023, 172 events were staged and total audience figures for the year recorded as 20,800. By comparison, during Covid in 2021 the theatre hosted 72 events with a little over 7,000 attendees.

For 2023, audience figures broken down by art form were as follows:

Genre	Number of Events	Actual Sales
Theatre	31	2685
Music	105	12988
Comedy	6	860
Circus	6	458
Craft	1	600
Fund Raiser	2	140
Family	4	468
Spoken Word	12	2219
Private Hire	1	60
Dance	4	322
Total events	172	20800

The following weekly classes were also held at The Acorn for at least 10 weeks each during the year:

- Circus Skills – older teens and adults
- Shallal – a dance and drama class for people with a learning disability
- Bears in the Park – pre-school group
- Distant Dances – inclusive dance group

The average number of weekly participants across each weekly class was approx. 20.

Through the number and variety of events staged at The Acorn, we met our charitable objectives to promote and increase the provision of a broad range of performing arts in Penzance and West Cornwall and support local artists and companies.

We also met our objective of providing a venue for arts-based community activities and offering opportunities for participation in arts activities at all levels.

10. The contribution of volunteers

The Acorn Board of Trustees is very grateful for the fantastic support of our volunteers who enable the day-to-day operation of the charity by helping with activities such as selling tickets, stewarding, marketing and publicity, and the maintenance of our premises.

The Trustees are also volunteers of the charity, of course, and have received neither reimbursement nor expenses for their time and service.

During 2023, we had 50 active volunteers at The Acorn (including trustees). At a conservative valuation, over 2900 voluntary hours were donated to The Acorn, during the year through event staffing, maintenance, meetings and other activities. Valued at minimum wage, this amounts to a cash equivalent of around £30,000.

11. Future Plans

There is much to do to realise and secure the Acorn's financial and artistic potential. In 2023, we have continued to experience a number of cancellations of events due to Covid or somewhat depressed ticket sales from the cost-of-living squeeze.

The workload for our Theatre Manager and Theatre Assistant remains heavy and is added to by the churn caused by these cancellations. Our immediate priority is therefore to secure sufficient long-term funding for a further administrative post to reduce his workload to sustainable levels.

Programming events for diverse, live performance arts is at the heart of our mission and we are now programming proactively, about nine months ahead. Whilst we must always be financially secure, we are in a position where we can begin to take some programming risks and by working with our sister venues across Cornwall, we hope to increase our theatre offering, and encourage larger, national and regional artists / companies to the south-western tip of the UK.

We believe that participating in and consuming live performance arts is a life enhancing and community building experience, so we will work with our local partners to extend theatre and performance access to socially or economically excluded groups.

We have completed about 80% of the current refurbishment programme, but still need to raise around £100,000 to complete the renovation of the building and its equipment, so will continue to work with our fundraising partner to secure additional grant income.

Having replaced our antiquated and inefficient boilers and converted the entire building to LED lighting, we will continue to look for ways to reduce our environmental impact and carbon footprint. The refurbished toilets will offer far better access and double the number of female cubicles. Furthermore, the upgraded technical equipment should help us to attract higher calibre acts. Other fundraising priorities include a new PA system, a cloakroom area, replacement of the aged seating, an upgraded fire alarm system, intruder alarms, improvements to the stage and storage, and a new CCTV will ensure increased comfort, safety and security.

We are currently investigating solar panels and heat pumps which would allow us to be carbon neutral by 2030, together with the possibility of replacing the lift for improved accessibility.

We will continue to refresh our pool of Trustees and volunteers in 2024, focusing on specific skills gaps and the ability to contribute time and energies to the enterprise.

We will also review our operating policies, key risks and mitigations.

FINANCIAL REVIEW

12. Policies on reserves

As a result of Covid, the charity needed grant funding to continue operating, which the trustees recognise carries some risk. Our aim is to maintain a Risk Reserve of around £36,000 - around 3 months operating costs - to cover seasonal dips in income, unforeseen operating losses; uninsured emergency repairs and equipment failures.

The charity has in past years increased the percentage of shared income events (splits) as opposed to flat rate hire fees. Each event is assessed for the risks attached, but inevitably, not all events are as successful as we forecast.

13. Forward look

The operating environment will be uncertain and challenging in 2024 and 2025 as the new government attempts to build the economy and improve public services and confidence.

Our aim is to continue to increase the range and number of events with additional marketing to enable us to deliver a surplus again – as we had done in the three years preceding the pandemic.

We will control discretionary expenditure tightly to match the improving financial performance in order to avoid increasing financial risks.

Based on this trajectory, the trustees have set a budget for 2024 aimed at continuing financial viability and self-sufficiency. This will enable us to continue to extend our arts activities, to rebuild our reserves, and, with the help of specific grants, to invest in increasing community arts engagement.

The charity currently benefits from an annual grant of £10,000 from Cornwall Council to support staff and core running costs until 2024 and the trustees are extremely grateful to the Council for this support.

All other recurrent income is generated from the activities of the charity. The primary objective at the outset of each year is to run the charity in a business-like manner and achieve a surplus, while continuing to meet our charitable objective of low-cost access to live performance arts for local people. The trustees are of the opinion that sufficient funds are available to carry out the planned activities in the future.

14. Statement of Directors' and Trustees' Responsibilities

Charity law and the Companies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

15. Method of preparation of accounts

The Trustees, in their capacity as directors, state that the accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

In so far as the trustees are aware, there is no relevant information of which the charitable company's examiner is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information, and to establish that the examiner is aware of that information.

Signed:



Paul Inman
Director and Chair, Board of Trustees
Cornwall Theatre Company Limited ('The Acorn Theatre')

Date: 04/09/2024

Independent Examiner's Report to the Trustees of CORNWALL THEATRE COMPANY LIMITED

I report on the accounts of the company for the year ended 31st December 2023 which are set out on pages 10 to 17.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dick Maule FCA

The Cross House, South Woodchester GL5 5EL

A handwritten signature in black ink that reads "Dick Maule FCA". The signature is written in a cursive style, with the first name "Dick" and the last name "Maule" clearly legible, followed by "FCA".

Date

12.9.2024

CORNWALL THEATRE COMPANY LIMITED

Balance sheet as at 31st. December 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	2		359,838	<u>320,106</u>	
Current assets					
Stock		5,000		5,000	
Debtors and prepayments	3	16,707		4	
Cash at bank and on hand		<u>41,886</u>		<u>96,042</u>	
		63,593		101,047	
Current liabilities					
Creditors: amounts falling due within 12 months	4	<u>(10,431)</u>		<u>(30,432)</u>	
Net Current assets					
Creditors: amounts falling due after 12 months	4		53,162	70,614	
			<u>-</u>	<u>-</u>	
Net assets					
			<u>413,000</u>	<u>390,720</u>	
Restricted funds					
			-	18,211	
Unrestricted funds					
General funds			161,488	122,967	
Designated funds			132,665	135,695	
Revaluation Reserve					
			<u>118,847</u>	<u>113,847</u>	
Total funds					
			<u>413,000</u>	<u>390,720</u>	

For the year ended 31st December 2023

The company was entitled to the exemption from audit under section 477[2] of the Companies Act 2006

The members have not requested the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and for the preparation of the accounts.

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

These financial statements were approved by the Trustees on.....04/09/2024
 On behalf of the TrusteesPaul Inman
 dated:- 12/09/2024
 (PAUL INMAN
 CHAIR OF TRUSTEES)

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2023**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	
		2023	2023	2023	2022
		£	£	£	£
Income from					
Investments: Interest receivable		907	-	907	47
Donations and legacies		806	-	806	-
Sponsorship		-	-	-	1,025
Insurance claim		63,440	-	63,440	-
Charitable activities:					
Grants and contracts	9	10,000	-	10,000	57,642
Income from theatre's activities	10	364,354	-	364,354	225,351
Total		<u>439,508</u>	<u>-</u>	<u>439,508</u>	<u>284,065</u>
Expenditure on:					
Charitable activities	11	153,530	18,211	171,741	118,863
Fundraising		5,051	-	5,051	14,385
Costs of generating theatre income	11	245,436	-	245,436	165,403
Total		<u>404,017</u>	<u>18,211</u>	<u>422,228</u>	<u>298,651</u>
Net income [expenditure] for the year		35,491	(18,211)	17,280	(14,586)
Other recognised gains/ [losses]					
Gains on revaluation of fixed assets		5,000	-	5,000	5,000
Net movement in funds:		40,491	(18,211)	22,280	(9,586)
Total funds at 1st. January 2023		<u>372,509</u>	<u>18,211</u>	<u>390,720</u>	<u>400,306</u>
Total funds at 31st. December 2023		<u>413,000</u>	<u>-</u>	<u>413,000</u>	<u>390,720</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023

(1) Principal Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

(a) Basis of preparation

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated by Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

[i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

[ii] Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

[iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

[i] Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

[ii] Donated services and facilities are included at the value to the charity where this can be quantified.

[iii] The value of services provided by volunteers has not been included in these accounts.

[iv] Investment income is included when receivable.

[v] Income from charitable trading activity are accounted for when earned.

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

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered

[i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

[ii] Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

[iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023

(1) Principal Accounting Policies

Freehold land and building was valued in 2016 by a qualified valuer.

The trustees are of the opinion that this valuation also reflects the situation at 31.12.21.

Other tangible fixed assets are written off over the expected useful life of the asset, on the straight line method for all items costing over £1,000.

Freehold building 2%

Equipment 10-20%

Note 2: Fixed Assets

	Freehold Land & Building	Fittings and Equipment	Total
Balance brought forward	333,847	182,535	516,382
Revaluation in the year	5,000	-	5,000
Additions in the year	-	87,569	87,569
	<u>338,847</u>	<u>270,104</u>	<u>608,951</u>
Depreciation			
Balance brought forward	83,847	112,430	196,277
charge for the year	5,000	47,836	52,836
	<u>88,847</u>	<u>160,266</u>	<u>249,113</u>
Net book value as at 31st December 2023	<u>250,000</u>	<u>109,839</u>	<u>359,839</u>
Net book value as at 31st December 2022	<u>250,000</u>	<u>70,106</u>	<u>320,106</u>

Note 3: Debtors and prepayments

Analysis of debtors	2023	2020
	£	£
VAT and Accounts receivable	<u>16,707</u>	<u>4</u>

Note 4: Accounts Payable and accruals

Analysis of Accounts Payable	2023	2022
	£	£
Insurance income deferred	-	20,429
Ticket sales in advance	8,643	6,217
Bank loan due within 12 months	-	821
Accounts Payable	1,263	2,440
Accruals and deferred income	<u>525</u>	<u>525</u>
Total	<u>10,431</u>	<u>30,432</u>
Falling due after 12 months		
Bank Loan	<u>-</u>	<u>-</u>

Note 5: Capital Commitments and contingent liabilities

There are no capital commitments this year.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023

Note 6: Employee information

	2023	2022
Number of employees	1	1
No employee received emoluments of more than £60,000.	Nil	Nil

Note 7: Trustees information

Trustees remuneration and expenses for the year were nil (2022 - nil)

Note 8: Movement in Funds

Restricted funds	Balances brought forward £	Income £	Expenditure £	Transfers £	carried forward £
Grants					
Foyle Foundation	<u>18,211</u>	<u>-</u>	<u>(18,211)</u>	<u>-</u>	<u>-</u>
Revaluation Reserve	<u>113,847</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>118,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>135,695</u>	<u>-</u>	<u>-</u>	<u>(3,030)</u>	<u>132,665</u>
General Funds	<u>122,967</u>	<u>444,508</u>	<u>(404,017)</u>	<u>(1,970)</u>	<u>161,488</u>
Total Funds	<u><u>390,720</u></u>	<u><u>444,508</u></u>	<u><u>(404,017)</u></u>	<u><u>-</u></u>	<u><u>413,000</u></u>

The Revaluation Reserve reflects the building revaluation in 2016, depreciation on the building is transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve

Note 9: Unrestricted grants received

	2023	2022
	£	£
Cornwall County Council	<u>10,000</u>	<u>22,642</u>

Note 10: Income from activities

Rental Income	7,353	11,629
Bar Takings	95,131	61,362
Box Office	261,230	151,815
Other	640	545
	<u>364,354</u>	<u>225,351</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023

Note 11:

Expenditure

	Charitable activities £	Total 2022 £
Wages	65,239	62,440
Rent, rates, waste and water	3,300	2,618
Insurance	4,779	4,375
Post, photocopier and stationery	1,548	2,012
Telephone	1,101	1,045
Repairs and maintenance	8,860	5,630
Independent examiners' fees	525	525
Depreciation	52,836	24,814
Loan Interest		376
Cleaning and laundry	101	1,238
Grant funded support & freelance fees	13,674	-
Light and Heat	8,243	7,790
Legal and Professional	734	4,253
Non capitalised equipment	10,227	1,193
Hospitality	577	554
Trustees meetings and expenses	-	-
Sundry	-	-
Total	<u>171,741</u>	<u>118,863</u>
Theatre Company Operating Costs		
Bar Purchases	39,273	27,169
Commission and Charges	160,997	105,356
Bar staff and wages	26,249	14,759
Bank and credit card charges	2,210	4,109
Advertising and Marketing	16,707	14,011
Total	<u>245,436</u>	<u>165,403</u>
Fundraising	<u>5,051</u>	<u>14,385</u>
Total expenditure	<u>422,228</u>	<u>298,651</u>

Note 12: Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Revaluation Reserve £	Total £
Fixed assets	105,296	-	135,695	118,847	359,838
Current assets	45,382	18,211	-	-	63,593
Current liabilities	(10,431)	-	-	-	(10,431)
Long term liabilities	-	-	-	-	-
	<u>140,247</u>	<u>18,211</u>	<u>135,695</u>	<u>118,847</u>	<u>413,000</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023

Note 13: Analysis of prior year funds to comply with FRS102.

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2022**

	Unrestricted Funds	Restricted Funds	Total Funds	
	2022	2022	2022	2021
	£	£	£	£
Income from				
Investments: interest receivable	47	-	47	8
Donations and legacies	-	-	-	-
Sponsorship	1,025	-	1,025	3,191
Charitable activities:				
Grants and contracts	22,642	35,000	57,642	81,251
Income from theatre's activities	<u>225,351</u>	<u>-</u>	<u>225,351</u>	<u>116,908</u>
Total	<u>249,065</u>	<u>35,000</u>	<u>284,065</u>	<u>201,357</u>
Expenditure on:				
Charitable activities	80,674	38,189	118,863	129,886
Fundraising	14,385	-	14,385	2100
Costs of generating theatre income	<u>165,403</u>	<u>-</u>	<u>165,403</u>	<u>77,137</u>
Total	<u>260,462</u>	<u>38,189</u>	<u>298,651</u>	<u>209,123</u>
Net income [expenditure] for the year	(11,397)	(3,189)	(14,586)	(7,766)
Other recognised gains/ [losses]				
Gains on revaluation of fixed assets	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:	(6,397)	(3,189)	(9,586)	(2,766)
Total funds at 1st. January 2022	<u>378,906</u>	<u>21,400</u>	<u>400,306</u>	<u>403,072</u>
Total funds at 31st. December 2022	<u><u>372,509</u></u>	<u><u>18,211</u></u>	<u><u>390,720</u></u>	<u><u>400,306</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2023

Note 13: Analysis of prior year funds to comply with FRS102.

Movement in Funds

	Balances brought forward	Income	Expenditure	Transfers	carried forward
Restricted funds	£	£	£	£	£
Grants					
Arts Council	21,400	9,000	(30,400)	-	-
Foyle Foundation	-	26,000	(7,789)	-	18,211
	<u>21,400</u>	<u>35,000</u>	<u>(38,189)</u>	<u>-</u>	<u>18,211</u>
Revaluation Reserve	<u>108,847</u>	-	-	5,000	<u>113,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>138,725</u>	-	-	(3,030)	<u>135,695</u>
General Funds	<u>131,334</u>	<u>254,065</u>	<u>(260,462)</u>	<u>(1,970)</u>	<u>122,967</u>
Total Funds	<u><u>433,418</u></u>	<u><u>289,065</u></u>	<u><u>(298,651)</u></u>	<u><u>-</u></u>	<u><u>390,720</u></u>

CORNWALL THEATRE COMPANY LIMITED

England & Wales - Charity number 283545

Accounts

Cornwall Theatre Company Limited
(A Company Limited by Guarantee)

Legal and Administrative Information

The full name of the charity is Cornwall Theatre Company Limited.

The charity is also known by the names The Acorn Penzance and The Acorn.

Directors: Paul Mullin (Chairperson)
Claire Belsham
Andrew Edmonds
Dave Hunter
Alex Sowerby (Appointed 17 January 2022)
Jo Willsher (Appointed 17 January 2022)
Alastair Johnston (Appointed 17 January 2022)
Alan Shepherd (Appointed 17 December 2022)
Nick Bamford (Appointed 17 December 2022)

Independent Examiner: Dick Maule
The Cross House
South Woodchester
GL5 5EL

Bankers: Lloyds TSB
Market House
Penzance
TR18 2TN

Date of incorporation: 23rd September 1981

Company registration no: 1587249

Registered office: The Acorn
Parade Street
Penzance
Cornwall
TR18 4BU

Charity registration no: 283545

THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

1. Introduction and context

2022 was a year of bouncing back after the Covid-19 pandemic: a challenging year, but one with cautious optimism as the vaccine roll out continued in the UK. The new air filter system in the theatre was used to great effect, allowing us to instil added confidence in those thinking of visiting. Covid-19, of course, has not gone away: it is now endemic in the environment and continues to mutate. Thankfully, though, the vaccines have all but eliminated serious illness requiring hospital admission from Covid for all variants of the virus so far - for the vaccinated population at least.

The purpose of this report is to outline how the charity fared during 2022.

2. Operating Performance

In 2022, therefore the Acorn was open and fully functioning for the first time since the pandemic running at full capacity. Due to the demographic of our audience, the first few months were of the year quite difficult due to concerns about the risks of Covid infection. However, thanks to our relatively healthy reserves and an annual support grant from Cornwall Council, the Charity was able to negotiate 2022 in generally good shape. We also continued to focus on fundraising with the dual aims of staying viable and completing the theatre refurbishment programme.

Thanks to the generosity of local people in making donations and supporting our Crowdfunder; Cornwall Council and Penzance Town Council, the tireless work of our Fundraising Partner Two Green Magpies in finding and securing grants from charitable bodies and government funds via the Culture Recovery Fund (CRF), the Acorn's future continues to look positive. We continue to be extremely grateful to all the people, the charities and agencies, and all the volunteers who have supported us during another challenging year.

Our Theatre Manager continued to work long and extremely hard keeping the Theatre running, project managing the capital works and generally keeping all concerned in order. We owe him a large thank you, as we do to our sound & lighting technician who works hard to keep the 'awe and wonder' side of productions in order. Mention must also be made of the 47 dedicated and competent volunteers without whom we would not be able to function and who give the theatre such a welcoming, family feel. We also owe them much gratitude.

Even through these still somewhat uncertain times, we have tried to remain true to our commitment to provide a diverse programme of live arts entertainment and activities for local people at affordable prices.

3. Governance

In 2022, the process of developing our Board of Trustees and maintaining our pool of volunteers continued focusing on specific skills gaps and the ability to contribute time and energy to meet the Charity's Objects and Mission. Alex Sowerby, Jo Willsher and Alastair Johnston joined the board and have taken on specific aspects in the running of the theatre.

All the directors of the company are also trustees of the Charity, and their responsibilities include all the responsibilities of directors under the Companies Acts, and as trustees under the Charities Act. The directors receive no remuneration or expenses and are the only members of the company.

We will review our Business Plan in 2023 in the wake of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial. We will also review our operating policies, key risks and mitigations, and our programming strategy.

4. Events & Audiences

As the country recovers from the pandemic, event bookings and audience levels were markedly improved on 2021, but still down our pre-Covid benchmark year of 2019. 2022 saw us being able to put on 124 events to an audience of 14,995, around 67% and 81% of the 2019 figures.

5. Finances

A comparison of 2019, 2021 and 2022, shows the impact of the pandemic on our activities and income and our recovery from it.

In 2019, our Income from Activities was £274,197; in 2021 £116,908, a drop of 58% on 2019; in 2022 our gross income was £225,351, an improvement of 93% on the previous year, but still 18% less than 2019.

However, in 2019 our cash position was £75,372 and in 2021 £81,774. By the end of 2022, helped by incoming (restricted) grant funds, the figure stood at £96,042.

Our Balance sheet was likewise supported, increasing from 2019 at £334,716 to £400,306, but falling slightly in 2022 to £390,720 as funds were expended on works and equipment.

Throughout the pandemic donations, legacies and the generous support from various funders has enabled us to maintain a positive financial position, despite the reduced trading opportunities and related income.

That includes £10,000 support from the Cornwall Council as a strategic arts partner to support core costs and maintaining the theatre as an architectural and cultural asset.

During 2022, we also received grants from the Culture Recovery Continuity Fund (Arts Council England) and the Foyle Foundation. We are extremely grateful for their generosity in supporting our cause.

We are also indebted to the people of Penzance, Newlyn and the surrounding areas and to the organisations listed above for their support – and especially to Penzance Town Council and Cornwall Council, for both their funding and strategic support.

6. Structure, Governance and Management

The charity is a company limited by guarantee and incorporated under the Companies Acts. Its governing document is its Memorandum and Articles of Association. The trustees continue to keep the governance of the charity under review, and endeavour to demonstrate best practice in all their actions. We review the Risk Register each quarter.

After consideration, we are confident that the charity's assets are more than adequate to fulfil its obligations and cover risks in the coming year. We also continue to look ahead to be as prepared as we can be to cover unforeseen circumstances beyond our control with our general financial reserves.

OBJECTIVES AND ACTIVITIES OF THE CHARITY

7. A summary of the mission and objectives of the charity

Cornwall Theatre Company's mission is to provide and support life-enriching experiences for the community of Penzance and West Cornwall, through a diverse range of live performance arts that are exciting, inspiring and of high quality at affordable prices, whether as a participant or audience member

The objectives of the charity include the promotion, improvement, advancement, education and encouragement of the performing arts in Penzance and West Cornwall. This is achieved by arranging and facilitating events within the venue to promote and advance the arts within local communities and by offering to the general public the opportunity to participate in and benefit from events and classes.

8. Statement of public benefit

The Trustees of the Acorn are satisfied that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission and that the directive of public benefit has been observed in all activities undertaken by the charity.

9. Summary of activities, participation and audience numbers

The charitable remit of The Acorn is to provide access to the arts to the local community of Penzance and West Cornwall, both as audience members and as participants. In 2022, we hosted 124 events with a little nearly 15,000 attendees. By art form they were as follows:

Genre	Number of events	Attendance
Theatre	23	1703
Music	71	9187
Fundraiser	3	380
Magic	1	65
Dance	3	328
Comedy	0	0
Spoken word	10	1484
Circus	4	397
Craft	1	650
Film	0	0
Children's	8	801
Totals	124	14,995

The following regular classes were held at The Acorn for around 38 weeks each during the year:

- Acorn Young People's Theatre – drama class (to April 2022)
- Acrobatics and Circus Skills – children
- Acrobatics and Circus Skills – older teens and adults

- Shallal – a dance and drama class for people of all abilities
- Bears in the Park – pre-school group
- Distant Dances – A social somatic disco / open-level movement workshop (all ages)
- Farmers Market – Local produce and craft items. 12-15 stalls (200 people a week)

Each class has around 15 - 20 participants a week, making 90 – 120 participants over the week and 3,420 to 4,560 over the whole year.

Through the number and variety of events staged at The Acorn, we met our charitable objectives to promote and increase the provision of a broad range of performing arts in Penzance and West Cornwall and support local artists and companies.

We also met our objective of providing a venue for arts-based community activities and offering opportunities for participation in arts activities at all levels.

10. The contribution of volunteers

The Acorn Board of Trustees is very grateful for the fantastic support of our volunteers who enable the day-to-day operation of the charity by helping with activities such as selling tickets, stewarding, marketing and publicity, and maintenance of our premises.

The Trustees are also volunteers of the charity, of course, and have received neither reimbursement nor expenses for their time and service.

During 2022, we had 47 active volunteers at The Acorn (including trustees). At a conservative valuation, over 2900 voluntary hours were donated to The Acorn, during the year through event staffing, maintenance, meetings and other activities. Valued at minimum wage, this amounts to a cash equivalent of around £27,500.

11. Plans for the future

As the ravages of Covid subside, there is much to do to secure the Acorn's financial and artistic future. In 2022, we have continued to experience high levels of cancellations of events due to Covid; or depressed ticket sales due to Covid, the cost-of-living squeeze and the uncertain economic environment.

The workload for our Theatre Manager remains heavy and is added to by the churn caused by these cancellations. Our immediate fundraising priority is therefore to secure sufficient funding to create an administrator post to reduce his workload to sustainable levels and then sufficient income to maintain the position.

Programming event for diverse, live-performance arts is at the heart of our mission and we are now programming proactively, about nine months ahead. Whilst we must always be financially secure, we are in a position where we can begin to take some programming risks and by working with our sister venues across Cornwall, we hope to increase our drama offer and encourage larger, national and regional artists / companies to the western tip of the UK.

We believe that participating in and consuming live performance arts is a life enhancing and community building experience, so we will work with our local partners to extend theatre and performance access to socially or economically excluded groups.

We have completed over 90% of the refurbishment programme, but still need to raise around £30,000 to complete the renovation of the building and its equipment, so will continue to work with our fundraising partner to secure grant income.

Having replaced our boilers and converted the entire building to LED lighting, we will continue to look for ways to reduce our environmental impact and carbon footprint.

We will continue to refresh our pool of Trustees and volunteers in 2023, focussing on specific skills gaps and the ability to contribute time and energies to our enterprise.

We will review our Strategy and Business Plan in 2023 in the wake of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial.

We will also complete the review of our operating policies, key risks and mitigations.

FINANCIAL REVIEW

12. Policies on reserves

As a result of Covid, the charity needed grant funding to continue operating, which the trustees recognise carries some risk. Our aim is to maintain a Risk Reserve of around £42,000 - around 6 months operating costs - to cover seasonal dips in income, unforeseen operating losses; uninsured emergency repairs and equipment failures.

The charity has in past years increased the percentage of shared income events (splits) as opposed to flat rate hire fees. Each event is assessed for the risks attached, but inevitably, not all events are as successful as we forecast.

13. Forward look

The operating environment will be extremely uncertain and challenging in 2023 as we emerge from the shadow of Covid into a major Cost of Living crisis and a stagnant economy. Our aim is to increase the range and number of events with additional marketing to enable us to rebuild initially to 2019 levels of performance, eliminate our operating deficit and deliver a net surplus again – as we had done in the three years preceding the pandemic.

We will control discretionary expenditure tightly to match the improving financial performance in order to avoid increasing financial risks.

Based on this trajectory, the trustees have set a budget for 2023 aimed at re-establishing financial viability and self-sufficiency. This will enable us to continue to extend our arts activities, to rebuild our reserves, and, with the help of specific grants, to invest in increasing community arts engagement.

The charity currently benefits from an annual grant of £10,000 from Cornwall Council to support staff and core running costs until 2026 and the trustees are extremely grateful to the Council for this support

All other recurrent income is generated from the activities of the charity. The primary objective at the outset of each year is to run the charity in a business-like manner and achieve a surplus, while continuing to meet our charitable objective of low-cost access to live performance arts for local people. The trustees are of the opinion that sufficient funds are available to carry out the planned activities in the future.

14. Statement of Directors' and Trustees' Responsibilities

Charity law and the Companies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at

the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

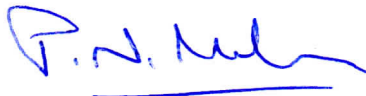
The Trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

15. Method of preparation of accounts

The Trustees, in their capacity as directors, state that the accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

In so far as the trustees are aware there is no relevant information of which the charitable company's examiner is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

Signed:



Paul Mullin
Director and Chair, Board of Trustees

Date:

16th May, 2023

Independent Examiner's Report to the Trustees of CORNWALL THEATRE COMPANY LIMITED

I report on the accounts of the company for the year ended 31st December 2022 which are set out on pages 9 to 16.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dick Maule FCA

The Cross House, South Woodchester GL5 5EL

Date

24 / 5 / 23

Dick Maule FCA

CORNWALL THEATRE COMPANY LIMITED

Balance sheet as at 31st. December 2022

	Notes	2022		2021
		£	£	£
Fixed assets				
Tangible assets	2		320,106	<u>316,956</u>
Current assets				
Stock		5,000		5,000
Debtors and prepayments	3	4		817
Cash at bank and on hand		<u>96,042</u>		<u>81,774</u>
		101,047		87,591
Current liabilities				
Creditors: amounts falling due within 12 months	4	<u>(30,432)</u>		<u>(1,812)</u>
Net Current assets			70,614	85,779
Creditors: amounts falling due after 12 months	4		<u>-</u>	<u>(2,428)</u>
Net assets			<u>390,720</u>	<u>400,306</u>
Restricted funds				
Unrestricted funds			18,211	21,400
General funds			122,967	131,334
Designated funds			135,695	138,725
Revaluation Reserve			<u>113,847</u>	<u>108,847</u>
Total funds			<u>390,720</u>	<u>400,306</u>

For the year ended 31st December 2022

The company was entitled to the exemption from audit under section 477[2] of the Companies Act 2006

The members have not requested the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and for the preparation of the accounts.

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

These financial statements were approved by the Trustees on.....^{15th} May, 2023

On behalf of the Trustees P.N. Paul

dated:- 16th May, 2023

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2022**

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	2021 £
Income from					
Investments: Interest receivable		47	-	47	8
Donations and legacies		-	-	-	-
Sponsorship		1,025	-	1,025	3,191
Charitable activities:					
Grants and contracts	9	22,642	35,000	57,642	81,251
Income from theatre's activities	10	<u>225,351</u>	<u>-</u>	<u>225,351</u>	<u>116,908</u>
Total		<u>249,065</u>	<u>35,000</u>	<u>284,065</u>	<u>201,357</u>
Expenditure on:					
Charitable activities	11	80,674	38,189	118,863	129,886
Fundraising		14,385	-	14,385	2,100
Costs of generating theatre income	11	<u>165,403</u>	<u>-</u>	<u>165,403</u>	<u>77,137</u>
Total		<u>260,462</u>	<u>38,189</u>	<u>298,651</u>	<u>209,123</u>
Net income [expenditure] for the year		(11,397)	(3,189)	(14,586)	(7,766)
Other recognised gains/ [losses]					
Gains on revaluation of fixed assets		<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:		(6,397)	(3,189)	(9,586)	(2,766)
Total funds at 1st. January 2022		<u>378,906</u>	<u>21,400</u>	<u>400,306</u>	<u>403,072</u>
Total funds at 31st. December 2022		<u><u>372,509</u></u>	<u><u>18,211</u></u>	<u><u>390,720</u></u>	<u><u>400,306</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022

(1) Principal Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

(a) Basis of preparation

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated by Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

[i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

[ii] Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

[iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

[i] Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

[ii] Donated services and facilities are included at the value to the charity where this can be quantified.

[iii] The value of services provided by volunteers has not been included in these accounts.

[iv] Investment income is included when receivable.

[v] Income from charitable trading activity are accounted for when earned.

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

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered

[i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

[ii] Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

[iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022

(1) Principal Accounting Policies

Freehold land and building was valued in 2016 by a qualified valuer.

The trustees are of the opinion that this valuation also reflects the situation at 31.12.21.

Other tangible fixed assets are written off over the expected useful life of the asset, on the straight line method for all items costing over £1,000.

Freehold building 2%

Equipment 10-20%

Note 2: Fixed Assets

	Freehold Land & Building	Fittings and Equipment	Total
Balance brought forward	328,847	159,571	488,418
Revaluation in the year	5,000	-	5,000
Additions in the year	-	22,964	22,964
	<u>333,847</u>	<u>182,535</u>	<u>516,382</u>
Depreciation			
Balance brought forward	78,847	92,616	171,463
charge for the year	5,000	19,814	24,814
	<u>83,847</u>	<u>112,430</u>	<u>196,277</u>
Net book value as at 31st December 2022	<u>250,000</u>	<u>70,106</u>	<u>320,106</u>
Net book value as at 31st December 2021	<u>250,000</u>	<u>66,956</u>	<u>316,956</u>

Note 3: Debtors and prepayments

Analysis of debtors	2022	2020
	£	£
Accounts receivable	<u>4</u>	<u>817</u>

Note 4: Accounts Payable and accruals

Analysis of Accounts Payable	2022	2021
	£	£
Insurance income deferred	20,429	
Ticket sales in advance	6,217	
Bank loan due within 12 months	821	
Accounts Payable	2,440	-
Accruals and deferred income	<u>525</u>	<u>1,812</u>
Total	<u>30,432</u>	<u>1,812</u>
Falling due after 12 months		
Bank Loan	<u>-</u>	<u>2,428</u>

Note 5: Capital Commitments and contingent liabilities

There are no capital commitments this year.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022

Note 6: Employee information		2022	2021
Number of employees		1	1
No employee received emoluments of more than £60,000.	Nil	Nil	

Note 7: Trustees information

Trustees remuneration and expenses for the year were nil (2021 - nil)

Note 8: Movement in Funds

	Balances brought forward	Income	Expenditure	Transfers	carried forward
Restricted funds	£	£	£	£	£
Grants					
Arts Council	21,400	9,000	(30,400)	-	-
Foyle Foundation	-	26,000	(7,789)	-	18,211
	<u>21,400</u>	<u>35,000</u>	<u>(38,189)</u>	<u>-</u>	<u>18,211</u>
Revaluation Reserve	<u>108,847</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>113,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>138,725</u>	<u>-</u>	<u>-</u>	<u>(3,030)</u>	<u>135,695</u>
General Funds	<u>131,334</u>	<u>254,065</u>	<u>(260,462)</u>	<u>(1,970)</u>	<u>122,967</u>
Total Funds	<u><u>433,418</u></u>	<u><u>289,065</u></u>	<u><u>(298,651)</u></u>	<u><u>-</u></u>	<u><u>390,720</u></u>

The Revaluation Reserve reflects the building revaluation in 2016, depreciation on the building is transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve

Note 9: Unrestricted grants received		2022	2021
		£	£
Cornwall County Council		<u>22,642</u>	<u>52,039</u>

Note 10: Income from activities

Rental Income	11,629	34,641
Bar Takings	61,362	30,360
Box Office	151,815	46,971
Other	545	4,937
	<u>225,351</u>	<u>116,908</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022

Note 11:

Expenditure

	Charitable activities £	Total 2021 £
Wages	62,440	42,882
Rent, rates, waste and water	2,618	3,037
Insurance	4,375	2,312
Post, photocopier and stationery	2,012	1,255
Telephone	1,045	897
Repairs and maintenance	5,630	25,498
Independent examiners' fees	525	475
Depreciation	24,814	21,369
Loan Interest	376	-
Cleaning and laundry	1,238	4,785
Grant funded support & freelance fees	-	18,150
Light and Heat	7,790	7,548
Legal and Professional	4,253	64
Non capitalised equipment	1,193	460
Hospitality	554	-
Trustees meetings and expenses	-	-
Sundry	-	1,154
Total	<u>118,863</u>	<u>129,886</u>
Theatre Company Operating Costs		
Bar Purchases	27,169	10,428
Commission and Charges	105,356	55,250
Bar staff and wages	14,759	6,545
Bank and credit card charges	4,109	2,088
Advertising and Marketing	14,011	2,825
Total	<u>165,403</u>	<u>77,137</u>
Fundraising	<u>14,385</u>	<u>2,100</u>
Total expenditure	<u>298,651</u>	<u>209,123</u>

Note 12: Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Revaluation Reserve £	Total £
Fixed assets	70,564	-	135,695	113,847	320,106
Current assets	82,836	18,211	-	-	101,047
Current liabilities	(30,432)	-	-	-	(30,432)
Long term liabilities	-	-	-	-	-
	<u>122,967</u>	<u>18,211</u>	<u>135,695</u>	<u>113,847</u>	<u>390,720</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022

Note 13: Analysis of prior year funds to comply with FRS102.

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2021**

	Unrestricted Funds	Restricted Funds	Total Funds	
	2021	2021	2021	2020
	£	£	£	£
Income from				
Investments: Interest receivable	8	-	8	4
Donations and legacies	-	-	-	17,069
Sponsorship	3,191	-	3,191	3,254
Charitable activities:				
Grants and contracts	52,039	29,212	81,251	144,446
Income from theatre's activities	<u>116,908</u>	<u>-</u>	<u>116,908</u>	<u>54,040</u>
Total	<u>172,145</u>	<u>29,212</u>	<u>201,357</u>	<u>218,813</u>
Expenditure on:				
Charitable activities	63,691	66,195	129,886	73,430
Fundraising	2,100	-	2,100	-
Costs of generating theatre income	<u>77,137</u>	<u>-</u>	<u>77,137</u>	<u>82,028</u>
Total	<u>142,928</u>	<u>66,195</u>	<u>209,123</u>	<u>155,457</u>
Net income [expenditure] for the year	29,217	(36,983)	(7,766)	63,355
Other recognised gains/ [losses]				
Gains on revaluation of fixed assets	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:	34,217	(36,983)	(2,766)	68,355
Total funds at 1st. January 2021	<u>344,689</u>	<u>58,383</u>	<u>403,072</u>	<u>334,716</u>
Total funds at 31st. December 2021	<u><u>378,906</u></u>	<u><u>21,400</u></u>	<u><u>400,306</u></u>	<u><u>403,072</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022

Note 13: Analysis of prior year funds to comply with FRS102.

Movement in Funds

	Balances brought forward	Income	Expenditure	Transfers	Fund balances carried forward
Restricted funds	£	£	£	£	£
Grants					
Arts Council	36,287	29,212	(44,099)	-	21,400
Foyle Foundation	14,500	-	(14,500)	-	-
Theatres Trust	5,000	-	(5,000)	-	-
The Leonard Laity Stoate Charity	1,000	-	(1,000)	-	-
Cornwall Council	1,596	-	(1,596)	-	-
	<u>58,383</u>	<u>29,212</u>	<u>(66,195)</u>	<u>-</u>	<u>21,400</u>
Revaluation Reserve	<u>103,847</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>108,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>141,755</u>	<u>-</u>	<u>-</u>	<u>(3,030)</u>	<u>138,725</u>
General Funds	<u>99,087</u>	<u>177,145</u>	<u>(142,928)</u>	<u>(1,970)</u>	<u>131,334</u>
Total Funds	<u><u>433,418</u></u>	<u><u>206,357</u></u>	<u><u>(211,719)</u></u>	<u><u>-</u></u>	<u><u>400,306</u></u>

CORNWALL THEATRE COMPANY LIMITED

England & Wales - Charity number 283545

Accounts

Cornwall Theatre Company Limited

(A Company Limited by Guarantee)

Legal and Administrative Information

The full name of the charity is Cornwall Theatre Company Limited.

The charity is also known by the names The Acorn, Penzance and The Acorn.

Directors

Paul Mullin (Chairperson)
Claire Belsham
Andrew Edmonds
Dave Hunter
Amanda Stafford
Kevin Brownridge
Guy Watson (Resigned: 29/10/2021)

Independent Examiner: Dick Maule
3 Penlee View Terrace
Penzance
TR18 4HZ

Bankers: Lloyds TSB
Market House
Penzance
TR18 2TN

Date of incorporation: 23rd September 1981

Company registration no: 1587249

Registered office: The Acorn
Parade Street
Penzance
Cornwall
TR18 4BU

Charity registration no: 283545

THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

1. Introduction and context

Sadly 2021 was another year blighted by the Covid-19 pandemic, but the year started with a note of cautious optimism as the vaccine roll out was underway, in the UK at least. Vaccinations had begun a month earlier on 8 December 2020 after Margaret Keenan became the first person in the world (outside trials) to receive her first dose.

Having been closed for eight months in 2020, we came out of Lockdown and opened for the second time on 3rd December. But any optimism was short lived as the virus predictably surged after Christmas gatherings. So, we went back into Lockdown for another four and a half months emerging again, albeit with strict restrictions in force, on 17th May.

Mandatory restrictions in England and Wales were finally lifted completely on 19th July 2021. Arts venues were allowed to reopen two weeks later on 3rd August without restrictions.

Covid-19, of course, has not gone away: it is now endemic in the environment and continues to mutate. Thankfully, though, the vaccines have all but eliminated serious illness requiring hospital admission from Covid - for all variants of the virus so far and for the vaccinated population at least.

At a conservative estimate, over 6.3 million people are known to have died from Covid to date (May 2022) worldwide, and over 526 million people are known to have been infected. So, the challenges of small arts venue in the far south west of England faces are clearly inconsequential by comparison.

The purpose of this report Nevertheless, is to describe how the charity has fared during 2021.

2. The Acorn Timeline, 2021

- 26th December 2020 to 5th January 2021, Tier 4 restrictions: Theatre closed.
- 6th January to 16 May 2021, Lockdown 3: Theatre closed
- 17 May to 18th July 2021: Theatre open, but with reduced capacity due to social distancing and other restrictions.
- 19 July onwards: Theatre open without social distancing, but with the following measures in place.
 - Enhanced cleaning
 - Hand sanitiser stations
 - Wearing of face coverings strongly encouraged, especially while moving around inside the venue
 - Modified routes around the building to avoid overcrowding
 - 'Book with Confidence, Exchange with ease' pledge allowing exchanges up to 24 hours ahead of a performance if a ticket holder cannot attend due to Covid

3. Operating Performance

In 2021, therefore the Acorn was open and fully functioning for 23 weeks (44%); open and functioning at one quarter capacity for a further 10 weeks (19%) and closed completely for 19 weeks (37%).

We decided that we would open the Acorn, albeit with significantly reduced capacity, whenever we were allowed to do so. We were unable to cover our costs under such conditions, but we generated some income to reduce the rate of depletion of our reserves. More importantly, our opening enabled local performers the chance to perform and earn some much-needed income and allowed local people to begin to enjoy the performing arts again after a very challenging fifteen months.

However, thanks to our relatively healthy reserves and an annual support grant of £8,775 from Cornwall Council, the Charity was able to negotiate 2021 in generally good shape.

During the continued closures, we focused on fundraising with the dual aims of staying viable and completing the theatre refurbishment programme. Thanks to the generosity of local people in making donations and supporting our Crowdfunder; Cornwall Council and Penzance Town Council; the tireless work of our Fundraising Partner, Two Green Magpies, in finding and securing grants from charitable bodies and, latterly, government funds via the Culture Recovery Fund (CRF) administered by the Arts Council for England (ACE), the Acorn's future continues to look positive.

We are extremely grateful to all the people, the charities and agencies, and all the volunteers that have supported us during another very challenging year.

Our Theatre Manager has worked long and hard throughout the period, firstly keeping the Theatre running; then postponing and rescheduling events (around 200 in the year); and then project managing the adaptations and renovation works; then arranging for the opening / closing / running of events under covid-restrictions - and often all at the same time. We owe him a large than you.

Even through these uncertain times, we have tried to remain true to our commitment to provide a diverse programme of live arts entertainment and activities for local people at affordable prices.

4. Governance

In 2021, the process of developing our Board of Trustees and maintaining our pool of volunteers slowed, but both will continue in 2022, focussing on specific skills gaps and the ability to contribute time and energy to meet the Charity's Objects and Mission.

All the directors of the company are also trustees of the Charity, and their responsibilities include all the responsibilities of directors under the Companies Acts, and as trustees under the Charities Act. The directors receive no remuneration or expenses and are the only members of the company.

We will review our Business Plan in 2022 in light of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial. We will also review our operating policies, key risks and mitigations and programming.

5. Events & Audiences

Event bookings and audience levels decreased sharply on our pre-Covid benchmark year of 2019. 2021 saw us being able to put on 72 shows to an audience of 7053, both around 36% of the 2019 figures. This was over a period of 23 weeks.

6. Finances

A comparison with 2019 shows how depressed our activities and income have been. In 2019 our Income from Activities was £274,197 and in 2021 £116,908, a drop of 58%.

However, in 2019 our cash position was £75,372 and in 2021 £81,774, helped by incoming funds. Our Balance sheet was likewise supported by incoming funds increasing from 2019 at £334,716 to £400,306.

Throughout the pandemic donations, legacies and the enormous support from various funders has enabled us to maintain a positive financial position, despite the loss of trading opportunities and related income.

That includes £8,775 support from the Cornwall Council as a strategic arts partner to support core costs and maintaining the theatre as an architectural and cultural asset.

During 2021, we also received grants from the Culture Recovery Continuity Fund (Arts Council England); The Penzance Towns Deal Fund; and the Foyle Foundation. We are extremely grateful for their generosity in supporting our cause.

We are indebted to the people of Penzance, Newlyn and the surrounding areas and to the organisations listed above for their support – and especially to Penzance Town Council and Cornwall Council, for both their funding and strategic support.

7. Structure, Governance and Management

The charity is a company limited by guarantee and incorporated under the Companies Acts. Its governing document is its Memorandum and Articles of Association. The trustees continue to keep the governance of the charity under review, and endeavour to demonstrate best practice in all their actions.

After careful consideration, we are confident that the charity's assets are adequate to fulfil its obligations and cover risks in the coming year. We also continue to look ahead to be as prepared as we can be to deal with circumstances beyond our control.

OBJECTIVES AND ACTIVITIES OF THE CHARITY

8. A summary of the mission and objectives of the charity

Cornwall Theatre Company's mission is to provide and support life-enriching experiences for the community of Penzance and West Cornwall, through a diverse range of live performance arts that are exciting, inspiring and of high quality at affordable prices, whether as a participant or audience member

The objectives of the charity include the promotion, improvement, advancement, education and encouragement of the performing arts in Penzance and West Cornwall. This is achieved by arranging and facilitating events within the venue to promote and advance the arts within local communities and by offering to the general public the opportunity to participate in and benefit from events and classes.

9. Statement of public benefit

The Trustees of the Acorn are satisfied that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission and that the directive of public benefit has been observed in all activities undertaken by the charity.

10. Summary of activities, participation and audience numbers

The charitable remit of The Acorn is to provide access to the arts to the local community of Penzance and West Cornwall, both as audience members and as participants. In 2021, we hosted 72 events with a little over 7,000 attendees. By art form they were as follows:

Genre	Number of events	Attendance
Theatre	22	2186
Music	40	2789
Fundraiser	1	77
Private	0	0
Dance	0	0
Comedy	0	0
Spoken word	4	381
Circus	2	191
Craft	2	1379
Film	0	0
Children's	1	50
Totals	72	7053

The following regular classes were held at The Acorn for at least 10 weeks each during the year:

- Acorn Young People's Theatre – drama class
- Acrobatics and dance class – children
- Circus Skills – older teens and adults
- Shallal – a dance and drama class for people with a learning disability
- Bears in the Park – pre-school group
- Distant Dances – A social somatic disco AKA open-level movement workshop for all ages
- Farmers Market – Local produce and craft items. 12-15 stalls (200 people a week)

The average number of weekly participants across all classes was around 12. This has been reduced due to the number of people allowed in the building with 2m social distancing.

Through the number and variety of events staged at The Acorn, we met our charitable objectives to promote and increase the provision of a broad range of performing arts in Penzance and West Cornwall and support local artists and companies.

We also met our objective of providing a venue for arts-based community activities and offering opportunities for participation in arts activities at all levels.

11. The contribution of volunteers

The Acorn Board of Trustees is very grateful for the fantastic support of our volunteers who enable the day-to-day operation of the charity by helping with activities such as selling tickets, stewarding, marketing and publicity, and maintenance of our premises.

The Trustees are also volunteers of the charity, of course, and have received neither reimbursement nor expenses for their time and service.

During 2021, we had 31 active volunteers at The Acorn (including trustees). At a conservative valuation, over 1800 voluntary hours were donated to The Acorn, during the year through event staffing, maintenance, meetings and other activities. Valued at minimum wage, this amounts to a cash equivalent of around £15,500.

12. Plans for the future

As the ravages of Covid subside, there is much to do to secure the Acorn's financial and artistic future. In 2022, we have continued to experience high levels of cancellations of events due to Covid; or depressed ticket sales due to Covid, the cost-of-living squeeze and the uncertain economic environment.

The workload for our Theatre Manager remains heavy and is added to by the churn caused by these cancellations. Our immediate fundraising priority is therefore to secure sufficient funding to create an administrator post to reduce his workload to sustainable levels.

Programming event for diverse, live-performance arts is at the heart of our mission and we are now programming proactively, about nine months ahead. Whilst we must always be financially secure, we are in a position where we can begin to take some programming risks and by working with our sister venues across Cornwall, we hope to increase our drama offer and encourage larger, national and regional artists / companies to the western tip of the UK.

We believe that participating in and consuming live performance arts is a life enhancing and community building experience, so we will work with our local partners to extend theatre and performance access to socially or economically excluded groups.

We have completed about 90% of the refurbishment programme, but still need to raise around £20,000 to complete the renovation of the building and its equipment, so will continue to work with our fundraising partner to secure grant income.

Having replaced our antiquated and inefficient boilers and converted the entire building to LED lighting, we will continue to look for ways to reduce our environmental impact and carbon footprint.

We will continue to refresh our pool of Trustees and volunteers in 2022, focussing on specific skills gaps and the ability to contribute time and energies to the enterprise.

We will review our Business Plan in 2022 in light of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial.

We will also review our operating policies, key risks and mitigations.

FINANCIAL REVIEW

13. Policies on reserves

As a result of Covid, the charity needed grant funding to continue operating, which the trustees recognise carries some risk. Our aim is to maintain a Risk Reserve of around £42,000 - around 6 months operating costs - to cover seasonal dips in income, unforeseen operating losses; uninsured emergency repairs and equipment failures.

The charity has in past years increased the percentage of shared income events (splits) as opposed to flat rate hire fees. Each event is assessed for the risks attached, but inevitably, not all events are as successful as we forecast.

14. Forward look

The operating environment will be extremely uncertain and challenging in 2022 and 2023 as we emerge from the shadow of Covid and rebuild the economy and public confidence. Our aim is to increase the range and number of events with additional marketing to enable us to rebuild initially to 2019 levels of performance, eliminate our operating deficit and deliver a surplus again – as we had done in the three years preceding the pandemic.

We will control discretionary expenditure tightly to match the improving financial performance in order to avoid increasing financial risks.

Based on this trajectory, the trustees have set a budget for 2022 aimed at re-establishing financial viability and self-sufficiency. This will enable us to continue to extend our arts activities, to rebuild our reserves, and, with the help of specific grants, to invest in increasing community arts engagement.

The charity currently benefits from an annual grant of £8,775 from Cornwall Council to support staff and core running costs until 2022 and the trustees are extremely grateful to the Council for this support

All other recurrent income is generated from the activities of the charity. The primary objective at the outset of each year is to run the charity in a business-like manner and achieve a surplus, while continuing to meet our charitable objective of low-cost access to live performance arts for local people. The trustees are of the opinion that sufficient funds are available to carry out the planned activities in the future.

15. Statement of Directors' and Trustees' Responsibilities

Charity law and the Companies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

16. Method of preparation of accounts

The Trustees, in their capacity as directors, state that the accounts have been prepared in accordance with the special provisions in of the Companies Act 2006 relating to small companies.

In so far as the trustees are aware there is no relevant information of which the charitable company's examiner is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

Signed:

Paul Mullin
Director and Chair, Board of Trustees

Date: 12 June, 2022

Independent Examiner's Report to the Trustees of CORNWALL THEATRE COMPANY LIMITED

I report on the accounts of the company for the year ended 31st December 2021 which are set out on pages 10 to 17.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dick Maule FCA

26 Florence Place, Newlyn, TR18 5PT

Date

CORNWALL THEATRE COMPANY LIMITED

Balance sheet as at 31st. December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	2			316,956	<u>267,000</u>
Current assets					
Stock			5,000		-
Debtors and prepayments	3		817		-
Cash at bank and on hand			<u>81,774</u>		<u>143,217</u>
			87,591		143,217
Current liabilities					
Creditors: amounts falling due within 12 months	4		<u>(1,812)</u>		<u>(2,747)</u>
Net Current assets				85,779	140,470
Creditors: amounts falling due after 12 months	4			<u>(2,428)</u>	<u>(4,398)</u>
Net assets				<u>400,306</u>	<u>403,072</u>
Restricted funds				21,400	58,383
Unrestricted funds					
General funds				131,334	99,087
Designated funds				138,725	141,755
Revaluation Reserve				<u>108,847</u>	<u>103,847</u>
Total funds				<u>400,306</u>	<u>403,072</u>

For the year ended 31st December 2021

The company was entitled to the exemption from audit under section 477[2] of the Companies Act 2006

The members have not requested the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and for the preparation of the accounts.

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

These financial statements were approved by the Trustees on.....

On behalf of the Trustees

.....

dated:-

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2021**

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	2020 £
Income from					
Investments: Interest receivable		8	-	8	4
Donations and legacies		-	-	-	17,069
Sponsorship		3,191	-	3,191	3,254
Charitable activities:					
Grants and contracts	9	52,039	29,212	81,251	144,446
Income from theatre's activities	10	<u>116,908</u>	<u>-</u>	<u>116,908</u>	<u>54,040</u>
Total		<u>172,145</u>	<u>29,212</u>	<u>201,357</u>	<u>218,813</u>
Expenditure on:					
Charitable activities	11	63,691	66,195	129,886	73,430
Fundraising		2,100	-	2,100	-
Costs of generating theatre income	11	<u>77,137</u>	<u>-</u>	<u>77,137</u>	<u>82,028</u>
Total		<u>142,928</u>	<u>66,195</u>	<u>209,123</u>	<u>155,457</u>
Net income [expenditure] for the year		29,217	(36,983)	(7,766)	63,355
Other recognised gains/ [losses]					
Gains on revaluation of fixed assets		<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:		34,217	(36,983)	(2,766)	68,355
Total funds at 1st. January 2021		<u>344,689</u>	<u>58,383</u>	<u>403,072</u>	<u>334,716</u>
Total funds at 31st. December 2021		<u><u>378,906</u></u>	<u><u>21,400</u></u>	<u><u>400,306</u></u>	<u><u>403,072</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021

(1) Principal Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

(a) Basis of preparation

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated by Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

[i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

[ii] Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

[iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

[i] Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

[ii] Donated services and facilities are included at the value to the charity where this can be quantified.

[iii] The value of services provided by volunteers has not been included in these accounts.

[iv] Investment income is included when receivable.

[v] Income from charitable trading activity are accounted for when earned.

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

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered

[i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

[ii] Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

[iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021

(1) Principal Accounting Policies

Freehold land and building was valued in 2016 by a qualified valuer.

The trustees are of the opinion that this valuation also reflects the situation at 31.12.21.

Other tangible fixed assets are written off over the expected useful life of the asset, on the straight line method for all items costing over £1,000.

Freehold building 2%

Equipment 10-20%

Note 2: Fixed Assets

	Freehold Land & Building	Fittings and Equipment	Total
Balance brought forward	323,847	93,247	417,094
Revaluation in the year	5,000	-	5,000
Additions in the year	-	66,324	66,324
	<u>328,847</u>	<u>159,571</u>	<u>488,418</u>
Depreciation			
Balance brought forward	73,847	76,247	150,094
charge for the year	5,000	16,369	21,369
	<u>78,847</u>	<u>92,616</u>	<u>171,463</u>
Net book value as at 31st December 2021	<u>250,000</u>	<u>66,956</u>	<u>316,956</u>
Net book value as at 31st December 2020	<u>250,000</u>	<u>17,000</u>	<u>267,000</u>

Note 3: Debtors and prepayments

Analysis of debtors	2021	2020
	£	£
Accounts receivable	<u>817</u>	<u>-</u>

Note 4: Accounts Payable and accruals

Analysis of Accounts Payable	2021	2020
	£	£
Accounts Payable	-	-
Accruals and deferred income	<u>1,812</u>	<u>2,747</u>
Total	<u>1,812</u>	<u>2,747</u>
Falling due after 12 months		
Bank Loan	<u>2,428</u>	<u>4,398</u>

Note 5: Capital Commitments and contingent liabilities

There are no capital commitments this year.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021

Note 6: Employee information

		2021	2020
Number of employees		1	-
No employee received emoluments of more than £60,000.	Nil	Nil	

Note 7: Trustees information

Trustees remuneration and expenses for the year were nil (2020 - nil)

Note 8: Movement in Funds

	Balances brought forward	Income	Expenditure	Transfers	Fund balances carried forward
Restricted funds	£	£	£	£	£
Grants					
Arts Council	36,287	29,212	(44,099)	-	21,400
Foyle Foundation	14,500	-	(14,500)	-	-
Theatres Trust	5,000	-	(5,000)	-	-
The Leonard Laity Stoate Charity	1,000	-	(1,000)	-	-
Cornwall Council	1,596	-	(1,596)	-	-
	<u>58,383</u>	<u>29,212</u>	<u>(66,195)</u>	<u>-</u>	<u>21,400</u>
Revaluation Reserve	<u>103,847</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>108,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>141,755</u>	<u>-</u>	<u>-</u>	<u>(3,030)</u>	<u>138,725</u>
General Funds	<u>99,087</u>	<u>177,145</u>	<u>(142,928)</u>	<u>(1,970)</u>	<u>131,334</u>
Total Funds	<u>433,418</u>	<u>206,357</u>	<u>(211,719)</u>	<u>-</u>	<u>400,306</u>

The Revaluation Reserve reflects the building revaluation in 2016, depreciation on the building is transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve

Note 9: Unrestricted grants received

	2021	2020
	£	£
Cornwall County Council	52,039	18,775
Crowd funder	-	5,000
Other	-	4,765
	<u>52,039</u>	<u>28,540</u>

Note 10: Income from activities

Rental Income	34,641	10,890
Bar Takings	30,360	10,110
Box Office	46,971	32,291
Other	4,937	749
	<u>116,908</u>	<u>54,040</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021

Note 11:

Expenditure

	Charitable activities £	Total 2020 £
Wages	42,882	-
Rent, rates, waste and water	3,037	763
Insurance	2,312	1,458
Post, photocopier and stationery	1,255	999
Telephone	897	1,848
Repairs and maintenance	25,498	18,812
Independent examiners' fees	475	475
Depreciation	21,369	8,104
Loan Interest	-	-
Cleaning and laundry	4,785	1,106
Grant funded support & freelance fees	18,150	28,274
Light and Heat	7,548	6,081
Legal and Professional	64	3,944
Non capitalised equipment	460	-
Equipment hire	-	706
Trustees meetings and expenses	-	-
Sundry	1,154	861
Total	<u>129,886</u>	<u>73,430</u>
Theatre Company Operating Costs		
Bar Purchases	10,428	15,165
Commission and Charges	55,250	50,899
Bar staff and wages	6,545	9,001
Bank and credit card charges	2,088	4,021
Advertising and Marketing	2,825	2,942
Total	<u>77,137</u>	<u>82,028</u>
Fundraising	<u>2,100</u>	<u>-</u>
Total expenditure	<u>209,123</u>	<u>155,457</u>

Note 12: Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Revaluation Reserve £	Total £
Fixed assets	66,956	-	141,153	108,847	316,956
Current assets	66,191	21,400	-	-	87,591
Current liabilities	(1,812)	-	-	-	(1,812)
Long term liabilities	-	-	(2,428)	-	(2,428)
	<u>131,334</u>	<u>21,400</u>	<u>138,725</u>	<u>108,847</u>	<u>400,306</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021

Note 13: Analysis of prior year funds to comply with FRS102.

CORNWALL THEATRE COMPANY LIMITED

Statement of Financial Activities [including Income and Expenditure Account]

for the year ended 31st. December 2020

	Unrestricted Funds	Restricted Funds	Total Funds	
	2020	2020	2020	2019
	£	£	£	£
Income from				
Investments: Interest receivable	4	-	4	17
Donations and legacies	17,069		17,069	4,424
Sponsorship	3,254	-	3,254	14,233
Charitable activities:				
Grants and contracts	28,540	115,906	144,446	23,147
Income from theatre's activities	<u>54,040</u>	<u>-</u>	<u>54,040</u>	<u>274,197</u>
Total	<u>102,907</u>	<u>115,906</u>	<u>218,813</u>	<u>316,018</u>
Expenditure on:				
Charitable activities	8,010	65,420	73,430	84,014
Costs of generating theatre income	<u>82,028</u>	<u>-</u>	<u>82,028</u>	<u>194,548</u>
Total	<u>90,037</u>	<u>65,420</u>	<u>155,457</u>	<u>278,562</u>
Net income [expenditure] for the year	12,869	50,486	63,355	37,455
Other recognised gains/ [losses]				
Gains on revaluation of fixed assets	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:	17,869	50,486	68,355	42,455
Total funds at 1st. January 2020	<u>326,819</u>	<u>7,897</u>	<u>334,716</u>	<u>292,261</u>
Total funds at 31st. December 2020	<u>344,689</u>	<u>58,383</u>	<u>403,072</u>	<u>334,716</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021

Note 13: Analysis of prior year funds to comply with FRS102.

Movement in Funds 2020	Balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Restricted funds	-	73,906	(37,619)	-	36,287
Grants	-	18,000	(3,500)	-	14,500
Arts Council	-	5,000	-	-	5,000
Foyle Foundation	-	1,000	-	-	1,000
Theatres Trust	-	18,000	(16,404)	-	1,596
The Leonard Laity Stoaate Charity	<u>7,897</u>	-	<u>(7,897)</u>	-	-
Cornwall Council	<u>7,897</u>	<u>115,906</u>	<u>(65,420)</u>	-	<u>58,383</u>
Co-op Local Community Fund	<u>98,847</u>	-	-	<u>5,000</u>	<u>103,847</u>
Revaluation Reserve					
Unrestricted Funds	<u>150,156</u>	-	-	<u>(8,401)</u>	<u>141,755</u>
Designated Funds	<u>77,816</u>	<u>107,907</u>	<u>(90,037)</u>	<u>3,401</u>	<u>99,087</u>
Land & Buildings reserve	<u>334,716</u>	<u>242,813</u>	<u>(179,758)</u>	-	<u>403,072</u>

General Funds

Total Funds

transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve

CORNWALL THEATRE COMPANY LIMITED

England & Wales - Charity number 283545

Accounts

Cornwall Theatre Company Limited
(A Company Limited by Guarantee)

Legal and Administrative Information

The full name of the charity is Cornwall Theatre Company Limited.
The charity is also known by the names The Acorn, Penzance and The Acorn.

Directors

Paul Mullin (Chairperson)
Claire Belsham
Andrew Edmonds
Dave Hunter
Amanda Stafford
Kevin Brownridge
Guy Watson (Appointed: 26 October, 2020)

Independent Examiner: Dick Maule
3 Penlee View Terrace
Penzance
TR18 4HZ

Bankers: Lloyds TSB
Market House
Penzance
TR18 2TN

Date of incorporation: 23rd September 1981

Company registration no: 1587249

Registered office: The Acorn
Parade Street
Penzance
Cornwall
TR18 4BU

Charity registration no: 283545

THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

1. Introduction

To say 2020 was an exceptional year is something of an understatement.

It was, of course, the first year of the Covid-19 pandemic. Other than warfare, it was the start of the most traumatic event for the UK and the world since the Spanish 'Flu epidemic of 1918- 20.

Worldwide to date (22nd August, 2021), over 4.4 million people have died from Covid and over 211 million people are known to have been infected; national borders have closed and economies put into hibernation as populations sheltered to slow the spread of the virus and prevent the hospitals from being overwhelmed by the numbers of people falling seriously ill.

Now, over half way through 2021, we can begin to see a route back to 'normal' or thereabouts in the UK, though it is slow and fragile. Moreover, that new normality must accommodate both endemic Covid and include urgent and far-reaching measures both to minimise global warming and to accommodate the damage already wrought.

So, the challenges that a small arts venue in the far south west of England faces are clearly inconsequential by comparison. Nevertheless, the purpose of this report is to describe how the charity has fared during 2020.

2. The Acorn Timeline, 2020

- 1st January to 16th March: Theatre open and running well, continuing 2019's excellent performance.
- 17th March to 14th August: National Lockdown 1; Theatre closed.
- 17th August to 4th November: Theatre open with Covid-restrictions in place; around 50% of events running at 41% maximum audience capacity.
- 5th November to 1st December: National Lockdown 2; Theatre closed.
- 2nd December to 25th December: Theatre open with Covid-restrictions in place; around 50% of events running at 41% maximum audience capacity.
- 26th December 2020 to 5th January: Theatre closed due to Tier 4 restrictions.
- 6th January to 19th July 2021: National Lockdown 3; Theatre closed.

3. Operating Performance

In 2020, therefore the Acorn was open and fully functioning for 11 weeks (21%); open and functioning at less than one quarter of normal operations for a further 15 weeks (29%) and closed completely for 26 weeks (50%).

In mid-August 2020, theatres were allowed to re-open though, as the Covid-safe restrictions drastically cut capacity, many chose not to do so. After much discussion, hard work and planning, we decided that we would re-open the Acorn, albeit with monthly capacity cut by about 75-80%.

We were unable to cover our costs under such conditions, but we generated some income to reduce the rate of depletion of our reserves. More importantly, our reopening enabled local performers (we focused almost exclusively on them after Lockdown 1) the chance to perform

and earn some income (most theatre performers are self-employed and financial support for them during Lockdowns was limited). And most importantly, reopening allowed local people to begin to enjoy the performing arts again after a very challenging and bleak six months.

However, thanks to our relatively healthy reserves, a £10,000 grant from central government and the upfront payment of the culture support grant of £8,750 by Cornwall Council, the Charity was able to negotiate 2020 in generally good shape.

During closure, we decided to focus on fundraising with the dual aims of staying viable and completing the theatre refurbishment programme. We were more successful than we dared hope and secured over £160,000 towards these ends. Thanks to the generosity of local people in making donations and supporting our Crowdfunder; Cornwall Council and Penzance Town Council; the tireless work of our Fundraising Partner, Two Green Magpies, in finding and securing grants from charitable bodies and, latterly, government funds via the Culture Recovery Fund (CRF) administered by the Arts Council for England (ACE), the Acorn's future continues to look good.

The securing of the additional funds has not only kept us financially solvent but has also allowed us to adapt the theatre for Covid-security measures and all but complete the building renovation programme, the latter being delayed by shortages of both skilled trades people and materials due to both Covid and Brexit.

We are extremely grateful to all the people, the charities and agencies, and all the volunteers that have supported us during the most unimaginably difficult year.

Our Theatre Manager has worked long and hard throughout the period, firstly keeping the Theatre running; then postponing and rescheduling events (around 200 in the year); and then project managing the adaptations and renovation works; then arranging for the opening / closing / running of events under covid-restrictions - and often all at the same time.

Even in these uncertain times, we have tried to remain true to our commitment to provide a diverse programme of live arts entertainment and activities for local people at affordable prices.

4. Governance

In 2020, the process of refreshing our Board of Trustees and maintaining our pool of volunteers slowed, but both have a healthy balance of long term and more recent appointments. This will continue this in 2021, focussing on specific skills gaps and the ability to contribute time and energies to the enterprise.

All the directors of the company are also trustees of the charity, and their responsibilities include all the responsibilities of directors under the Companies Acts and of trustees under the Charities Act. The directors receive no remuneration or expenses and are the only members of the company.

We will review our Business Plan in 2021 in light of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial. We will also review our operating policies, key risks and mitigations.

5. Events & Audiences

Event bookings and audience levels decreased sharply on 2019.

2020 saw us being able to put on 51 shows to an audience of 4065, both around 25% of the 2019 figures. This was over a period of 23 weeks. Our last show before Lockdown 1 was on the 15th March. We then remained closed, as per government guidelines, until 20th August.

We re-opened using predominantly Cornish performers to help the local economy and to help limit the spread of corona virus. In November we closed for lockdown 2.

6. Finances

A comparison with 2019 shows how depressed our activities and income have been, generating only £42,401 in the year (down 83% on 2019:). The cost of opening the theatre with greatly reduced capacity to accommodate covid-safety measures is shown in the accounts: The theatre's activities generated only £54,040 [2019: £274,197] but cost £82,082 [2019: £194,548], making a loss of £28,042 [2019: profit £79,649].

However, thanks to donations and legacies of £20,323 [2019: £18,657] and securing grant funding of £144,446 [2019: £23,147] we ended the year with a positive net movement of funds of £68,335 cash [2019: £42,455], plus a book gain of £5,000 on revaluation of assets. Thus, we ended the year with £143,217 in our bank accounts [2019: £75,372], mainly restricted funds for covid adaptations and refurbishment works.

This sum includes £8,750 support from the Cornwall Council as a strategic arts partner to support core costs and maintaining the theatre as an architectural and cultural asset.

During 2020, we also received grants from the Culture Recovery Fund (Arts Council England); The Penzance Towns Deal Fund; The Theatres Trust; The Foyle Foundation and the Leonard Laity Stoaite Charitable Trust. We are extremely grateful for their generosity in supporting our cause.

And, of course, we received some covid support funds from HMG when in Lockdown via the Cornwall Council Business rates system.

We are massively grateful to the people of Penzance, Newlyn and the surrounding areas and to the organisations listed above for their support – and especially to Penzance Town Council and Cornwall Council, for both their funding and strategic support.

7. Structure, Governance and Management

The charity is a company limited by guarantee and incorporated under the Companies Acts. Its governing document is its Memorandum and Articles of Association.

The trustees continue to keep the governance of the charity under review, and endeavour to demonstrate best practice in all their actions. After careful consideration, they are confident that the charity's assets are adequate to fulfil its obligations and cover risks in the coming year. They continue to look ahead to be prepared to deal with circumstances beyond their direct control.

OBJECTIVES AND ACTIVITIES OF THE CHARITY

8. A summary of the mission and objectives of the charity

Cornwall Theatre Company's mission is to provide and support enriching experiences for the community of Penzance and West Cornwall, through a diverse range of arts that are exciting, inspiring and of high quality at affordable prices, whether as a participant or audience member

The objectives of the charity include the promotion, improvement, advancement, education and encouragement of the performing arts in Penzance and West Cornwall. This is achieved by arranging and facilitating events within the venue to promote and advance the arts within local communities and by offering to the general public the opportunity to participate in and benefit from events and classes.

9. Statement of public benefit

The Trustees of the Acorn are satisfied that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission and that the directive of public benefit has been observed in all activities undertaken by the charity.

10. Summary of activities, participation and audience numbers

The charitable remit of The Acorn is to provide access to the arts to the local community of Penzance and West Cornwall, both as audience members and as participants. In 2020, we hosted 51 events with a little over 4,000 attendees. By art form they were as follows:

Genre	Number of events	Attendance
Theatre	11	673
Music	29	2461
Fundraiser	1	176
Private	2	162
Dance	1	17
Comedy	2	154
Spoken word	1	42
Circus	1	160
Craft	-	-
Film	-	-
Children's	3	220
Totals	51 events	4065

The following regular classes were held at The Acorn for at least 10 weeks each during the year:

- Acorn Young People's Theatre – drama class
- Acrobatics and dance class – children
- Circus Skills – older teens and adults
- Shallal – a dance and drama class for people with a learning disability
- Bears in the Park – pre-school group

The average number of weekly participants across all classes was around 70. This has been reduced due to the number of people allowed in the building with 2m social distancing.

Through the number and variety of events staged at The Acorn, we met our charitable objectives to promote and increase the provision of a broad range of performing arts in Penzance and West Cornwall and support local artists and companies. We also met our objective of providing a venue for arts-based community activities and offering opportunities for participation in arts activities at all levels.

11. The contribution of volunteers

The Acorn is very grateful for the fantastic support of our volunteers who enable the day-to-day operation of the charity by helping with activities such as selling tickets, stewarding, marketing and publicity, and maintenance of our premises.

All the Trustees are also volunteers of the charity and have received neither reimbursement nor expenses for their time and service.

During 2018, we had 45 active volunteers at The Acorn (including trustees). At a conservative valuation, over 1500 voluntary hours were donated to The Acorn, during the year through event staffing, maintenance, meetings and other activities. Valued at minimum wage, this amounts to a cash equivalent of around £13,300.

12. Plans for the future

As the ravages of Covid subside, there is much to do to secure the Acorn's financial and artistic future.

Programming event for diverse, live-performance arts is at the heart of our mission and we are now programming proactively, about nine months ahead. Whilst we must always be financially secure, we are in a position to take some programming risks and by working with our sister venues across Cornwall, we hope to increase our drama offer and encourage larger, national and regional artists and companies to the western tip of the UK.

We believe that participating in and consuming live performance arts is a life enhancing and community building experience, so we will work with our local partners to extend theatre and performance access to socially or economically excluded groups.

We have completed about 90% of the refurbishment programme, but still need to raise around £10,000 to complete the renovation of the building – mainly external works and secondary glazing - and its equipment, so will continue to work with our partners to secure grant income.

Having replaced our antiquated and inefficient boilers and converted the entire building to LED lighting, we will continue to look for ways to reduce our environmental impact and carbon footprint.

We will continue to refresh our pool of Trustees and volunteers in 2021, focussing on specific skills gaps and the ability to contribute time and energies to the enterprise.

We will review our Business Plan in 2021 in light of the Covid pandemic and with a particular emphasis on sustainability, both environmental and financial.

We will also review our operating policies, key risks and mitigations.

FINANCIAL REVIEW

13. Policies on reserves

As a result of Covid, the charity needed grant funding to continue operating, which the trustees recognise carries some risk. Our aim is to maintain a Risk Reserve of around £42,000 - around 6 months operating costs - to cover seasonal dips in income, unforeseen operating losses; uninsured emergency repairs and equipment failures.

The charity has in past years increased the percentage of shared income events (splits) as opposed to flat rate hire fees. Each event is assessed for the risks attached, but inevitably, not all events are as successful as we forecast.

14. Forward look

The operating environment will be extremely uncertain and challenging in 2022 and 2023 as we emerge from the shadow of Covid and rebuild the economy and public confidence. Our aim is to increase the range and number of events with additional marketing to enable us to rebuild initially to 2019 levels of performance, eliminate our operating deficit and deliver a surplus again – as we had done in the three years preceding the pandemic.

We will control discretionary expenditure to match the improving financial performance in order to avoid increasing financial risks.

Based on this trajectory, the trustees have set a budget for 2021 aimed at re-establishing financial viability and self-sufficiency. This will enable us to continue to extend our arts activities, to rebuild our reserves, and to invest community engagement, with the help of specific grants.

The charity currently benefits from an annual grant of £8,750 from Cornwall Council to support staff and core running costs until 2023 and the trustees are extremely grateful to the Council for this support

All other recurrent income is generated from the activities of the charity. The primary objective at the outset of each year is to run the charity in a business-like manner and achieve a surplus, while continuing to meet our charitable objective of low-cost access to live performance arts for local people. The trustees are of the opinion that sufficient funds are available to carry out the planned activities in the future.

15. Statement of Directors' and Trustees' Responsibilities

Charity law and the Companies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

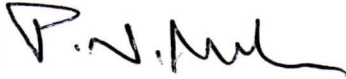
The Trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

16. Method of preparation of accounts

The Trustees, in their capacity as directors, state that the accounts have been prepared in accordance with the special provisions in of the Companies Act 2006 relating to small companies.

In so far as the trustees are aware there is no relevant information of which the charitable company's examiner is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

Signed:



Paul Mullin
Director and Chair, Board of Trustees

Date: 25 August, 2021

Independent Examiner's Report to the Trustees of CORNWALL THEATRE COMPANY LIMITED

I report on the accounts of the company for the year ended 31st December 2020 which are set out on pages 10 to 17.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dick Maule FCA

3, Penlee View Terrace, Penzance, TR18 4HZ

Dick Maule FCA

Date

12 - 9 - 2021

CORNWALL THEATRE COMPANY LIMITED

Balance sheet as at 31st. December 2020

	Notes	2020		2019
		£	£	£
Fixed assets				
Tangible assets	2		267,000	<u>255,617</u>
Current assets				
Stock		-		5,000
Debtors and prepayments	3	-		18,141
Cash at bank and on hand		<u>143,217</u>		<u>75,372</u>
		143,217		98,513
Current liabilities				
Creditors: amounts falling due within 12 months	4	<u>(2,747)</u>		<u>(12,932)</u>
Net Current assets			140,470	85,581
Creditors: amounts falling due after 12 months	4		<u>(4,398)</u>	<u>(6,482)</u>
Net assets			<u>403,072</u>	<u>334,716</u>
Restricted funds			58,383	7,897
Unrestricted funds				
General funds			99,087	77,816
Designated funds			141,755	150,156
Revaluation Reserve			<u>103,847</u>	<u>98,847</u>
Total funds			<u>403,072</u>	<u>334,716</u>

For the year ended 31st December 2020

The company was entitled to the exemption from audit under section 477[2] of the Companies Act 2006

The members have not requested the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and for the preparation of the accounts.

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

These financial statements were approved by the Trustees on..... 27th August, 2021

On behalf of the Trustees P. N. Mullin

PAUL MULLIN,
CHAIR OF TRUSTEES

dated:- 14th September, 2021

CORNWALL THEATRE COMPANY LIMITED

**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2020**

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	2019 £
Income from					
Investments: Interest receivable		4	-	4	17
Donations and legacies		17,069		17,069	4,424
Sponsorship		3,254	-	3,254	14,233
Charitable activities:					
Grants and contracts	9	28,540	115,906	144,446	23,147
Income from theatre's activities	10	<u>54,040</u>	<u>-</u>	<u>54,040</u>	<u>274,197</u>
Total		<u>102,907</u>	<u>115,906</u>	<u>218,813</u>	<u>316,018</u>
Expenditure on:					
Charitable activities	11	8,010	65,420	73,430	84,014
Costs of generating theatre income	11	<u>82,028</u>	<u>-</u>	<u>82,028</u>	<u>194,548</u>
Total		<u>90,037</u>	<u>65,420</u>	<u>155,457</u>	<u>278,562</u>
Net income [expenditure] for the year		12,869	50,486	63,355	37,455
Other recognised gains/ [losses]					
Gains on revaluation of fixed assets		<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:		17,869	50,486	68,355	42,455
Total funds at 1st. January 2020		<u>326,819</u>	<u>7,897</u>	<u>334,716</u>	<u>292,261</u>
Total funds at 31st. December 2020		<u><u>344,689</u></u>	<u><u>58,383</u></u>	<u><u>403,072</u></u>	<u><u>334,716</u></u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020

(1) Principal Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

(a) Basis of preparation

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated by Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

[i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

[ii] Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

[iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

[i] Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

[ii] Donated services and facilities are included at the value to the charity where this can be quantified.

[iii] The value of services provided by volunteers has not been included in these accounts.

[iv] Investment income is included when receivable.

[v] Income from charitable trading activity are accounted for when earned.

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

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered

[i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

[ii] Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

[iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020

(1) Principal Accounting Policies

Freehold land and building was valued in 2016 by a qualified valuer.

The trustees are of the opinion that this valuation also reflects the situation at 31.12.19.

Other tangible fixed assets are written off over the expected useful life of the asset, on the straight line method for all items costing over £1,000.

Freehold building 2%

Equipment 10-20%

Note 2: Fixed Assets

	Freehold Land & Building	Fittings and Equipment	Total
Balance brought forward	318,847	78,760	397,607
Revaluation in the year	5,000	-	5,000
Additions in the year	-	14,487	14,487
	<u>323,847</u>	<u>93,247</u>	<u>417,094</u>
Depreciation			
Balance brought forward	68,847	73,143	141,990
charge for the year	5,000	3,104	8,104
	<u>73,847</u>	<u>76,247</u>	<u>150,094</u>
Net book value as at 31st December 2020	<u>250,000</u>	<u>17,000</u>	<u>267,000</u>
Net book value as at 31st December 2019	<u>250,000</u>	<u>5,617</u>	<u>255,617</u>

Note 3: Debtors and prepayments

Analysis of debtors	2020	2019
	£	£
Accounts receivable	-	18,141

Note 4: Accounts Payable and accruals

Analysis of Accounts Payable	2020	2019
	£	£
Accounts Payable	-	-
Accruals and deferred income	2,747	12,932
Total	<u>2,747</u>	<u>12,932</u>
Falling due after 12 months		
Bank Loan	<u>4,398</u>	<u>6,482</u>

Note 5: Capital Commitments and contingent liabilities

There are no capital commitments this year.

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020

Note 6: Employee information

		2020	2019
Number of employees		-	-
No employee received emoluments of more than £60,000.	Nil	Nil	

Note 7: Trustees information

Trustees remuneration and expenses for the year were nil (2019 - nil)

Note 8: Movement in Funds

	Balances brought forward	Income	Expenditure	Transfers	Fund balances carried forward
Restricted funds	£	£	£	£	£
Grants					
Arts Council	-	73,906	(37,619)	-	36,287
Foyle Foundation	-	18,000	(3,500)	-	14,500
Theatres Trust	-	5,000	-	-	5,000
The Leonard Laity Stoate Charity	-	1,000	-	-	1,000
Cornwall Council	-	18,000	(16,404)	-	1,596
Co-op Local Community Fund	7,897	-	(7,897)	-	-
	<u>7,897</u>	<u>115,906</u>	<u>(65,420)</u>	<u>-</u>	<u>58,383</u>
Revaluation Reserve	<u>98,847</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>103,847</u>
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>150,156</u>	<u>-</u>	<u>-</u>	<u>(8,401)</u>	<u>141,755</u>
General Funds	<u>77,816</u>	<u>107,907</u>	<u>(90,037)</u>	<u>3,401</u>	<u>99,087</u>
Total Funds	<u><u>334,716</u></u>	<u><u>242,813</u></u>	<u><u>(179,758)</u></u>	<u><u>-</u></u>	<u><u>403,072</u></u>

The Revaluation Reserve reflects the building revaluation in 2016, depreciation on the building is transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve

Note 9: Unrestricted grants received

	2020	2019
	£	£
Cornwall County Council	18,775	8,750
Crowd funder	5,000	-
Other	4,765	-
	<u>28,540</u>	<u>8,750</u>

Note 10: Income from activities

Rental Income	10,890	10,447
Bar Takings	10,110	71,224
Box Office	32,291	180,830
Other	749	11,696
	<u>54,040</u>	<u>274,197</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020

Note 11:

Expenditure

	Charitable activities £	Total 2019 £
Wages	-	-
Rent, rates, waste and water	763	3,127
Insurance	1,458	1,330
Post, photocopier and stationery	999	1,671
Telephone	1,848	1,290
Repairs and maintenance	18,812	20,623
Independent examiners' fees	475	475
Depreciation	8,104	6,655
Loan Interest	-	485
Cleaning and laundry	1,106	2,396
Freelance fees	28,274	31,611
Light and Heat	6,081	10,242
Legal and Professional	3,944	2,146
Non capitalised equipment	-	162
Equipment hire	706	155
Trustees meetings and expenses	-	498
Sundry	861	1,148
Total	<u>73,430</u>	<u>84,014</u>

Theatre Company Operating Costs

Bar Purchases	15,165	32,425
Commission and Charges	50,899	117,408
Bar staff and wages	9,001	21,168
Bank and credit card charges	4,021	10,789
Advertising and Marketing	2,942	12,759
Total	<u>82,028</u>	<u>194,548</u>

Total expenditure

155,457 278,562

Note 12: Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Revaluation Reserve £	£
Fixed assets	17,000	-	146,153	103,847	267,000
Current assets	84,834	58,383	-	-	143,217
Current liabilities	(2,747)	-	-	-	(2,747)
Long term liabilities	-	-	(4,398)	-	(4,398)
	<u>99,087</u>	<u>58,383</u>	<u>141,755</u>	<u>103,847</u>	<u>403,072</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020

Note 13: Analysis of prior year funds to comply with FRS102.

CORNWALL THEATRE COMPANY LIMITED

Statement of Financial Activities [including Income and Expenditure Account]

for the year ended 31st. December 2019

	Unrestricted Funds	Restricted Funds	Total Funds	
	2019	2019	2019	2018
	£	£	£	£
Income from				
Investments: Interest receivable	17	-	17	10
Donations and legacies	3,424	1,000	4,424	6,657
Sponsorship	14,233	-	14,233	10,229
Charitable activities:				
Grants and contracts	<u>8,750</u>	<u>14,397</u>	<u>23,147</u>	<u>35,559</u>
Income from theatre's activities	<u>274,197</u>	<u>-</u>	<u>274,197</u>	<u>189,474</u>
 Total	 300,621	 15,397	 316,018	 241,929
 Expenditure on:				
Charitable activities	69,964	14,050	84,014	87,731
Costs of generating theatre income	<u>194,548</u>	<u>-</u>	<u>194,548</u>	<u>153,343</u>
 Total	 264,512	 14,050	 278,562	 241,074
 Net income [expenditure] for the year	 36,108	 1,347	 37,455	 855
Other recognised gains/ [losses]				
Gains on revaluation of fixed assets	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net movement in funds:	41,108	1,347	42,455	5,855
 Total funds at 1st. January 2019	 <u>285,711</u>	 <u>6,550</u>	 <u>292,261</u>	 <u>286,406</u>
 Total funds at 31st. December 2019	 <u>326,819</u>	 <u>7,897</u>	 <u>334,716</u>	 <u>292,261</u>

CORNWALL THEATRE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020

Note 13: Analysis of prior year funds to comply with FRS102.

Movement in Funds 2019

	Balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Restricted funds					
Donations	-	1,000	(1,000)	-	-
Grants					
Cornwall Council [Capital]	<u>6,550</u>	<u>6,500</u>	<u>(13,050)</u>	<u>-</u>	<u>-</u>
Co-op Local Community Fund	<u>-</u>	<u>7,897</u>	<u>-</u>	<u>-</u>	<u>7,897</u>
	<u>6,550</u>	<u>14,397</u>	<u>(13,050)</u>	<u>-</u>	<u>7,897</u>
Revaluation Reserve	93,847	-	-	5,000	98,847
Unrestricted Funds					
Designated Funds					
Land & Buildings reserve	<u>155,438</u>	<u>-</u>	<u>-</u>	<u>(5,282)</u>	<u>150,156</u>
General Funds	<u>36,426</u>	<u>305,621</u>	<u>(264,512)</u>	<u>282</u>	<u>77,816</u>
Total Funds	<u>298,812</u>	<u>334,415</u>	<u>(290,612)</u>	<u>-</u>	<u>334,716</u>

The Revaluation Reserve reflects the building revaluation in 2016, depreciation on the building is transferred annually. The building was previously revalued by £30,000 in 2007.

The Land & Building Designated Fund was created in 2015 and represents the Net Book Value of the property less loan outstanding and revaluation reserve