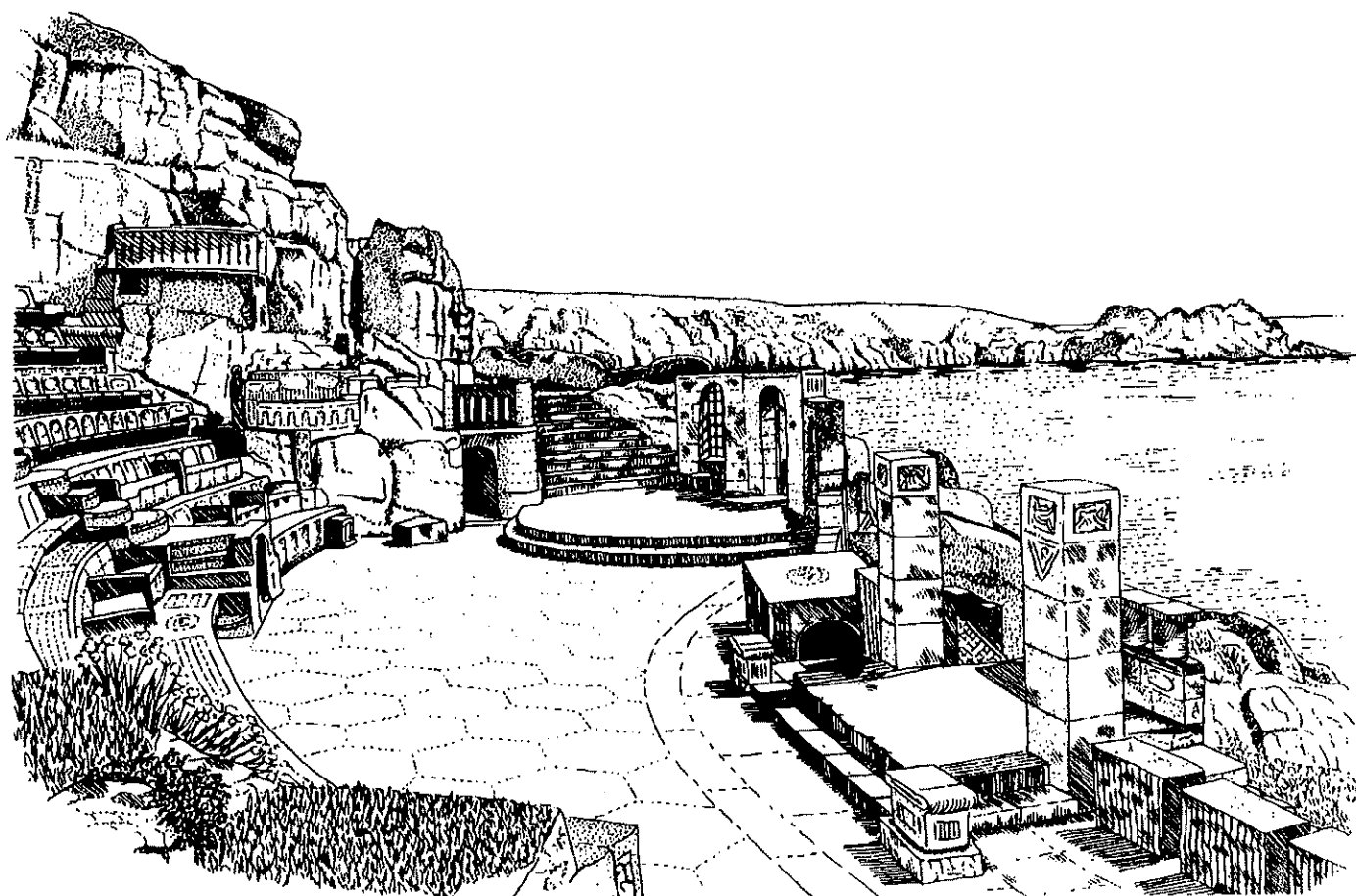


The Minack Theatre Trust CIO

(Registered Charity Number 1166799)



Trustees' Report and Financial Statements **31 December 2021**

The Minack Theatre Trust CIO

A Charitable Incorporated Organisation with a registered charity No: 1166799

Registered in England & Wales, Principal Office: Minack Theatre, Porthcurno, Penzance, Cornwall. TR19 6JU

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TRUSTEES' REPORT

For the year to 31 December 2021

The trustees are pleased to present their report together with the audited consolidated financial statements of The Minack Theatre Trust CIO ("the Minack") for the year to 31 December 2021 and can confirm that the latter comply with the requirements of the Charities SORP 2015.

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

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

Reference and Administrative Details

Registered name	The Minack Theatre Trust CIO
Charity registration number	1166799

Trustees

The Trustees at 31st December 2021	Mr C. J. F. Sinclair Mr M. A. Conboye Mr M. J. Iles Mr J. M. Sinclair Mrs E. R. Smith
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There are no committees or subcommittees of the Trustees.

Officers

Secretary	Mr J. M. Sinclair
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Senior Management Team

Executive Director	Miss Z. M. Curnow
Production Manager	Mr S.J. Hutchings
Associate Director	Mr J. Brolly
Visitor Experience Manager	Ms L. R. Manning
Business Support Manager	Miss M. K. Hall

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

Bankers

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

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

Auditors

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

Solicitors

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

Structure, Governance and Management

Governing instrument

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

Recruitment and induction of trustees

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

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

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

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

Organisation

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

Related parties

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

Minack Productions Limited (Company Registration Number 13798938) is a wholly owned trading subsidiary of The Minack Theatre Trust CIO. This company was incorporated on 14 December 2021 and remained dormant within this financial year.

Risk Management

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

The risk management action plan is reviewed in February each year. The most significant risks following the 2022 review are:

1. The potential of further government restrictions due to the Covid-19 pandemic.
2. The risk of accidents due to the hazardous nature of the site.
3. Compromise of IT systems or data.
4. Risk associated with where cash reserves are lodged.
5. Risk associated with concerns over the stability of Maunsell's Hill – the public highway used to access the Minack.
6. Over reliance on key personnel, particularly the Executive Director and the Technical Manager.

Heritage Asset

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

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

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

Objectives & Activities

Charitable objects

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

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

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

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

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

Aims and intended impact

The aims of the charity have been reviewed during 2021. The revised aims were adopted by the Trustees on 27 November 2021 and are to:

1. Programme a wide range of theatre and other events to engage a diverse audience and enable active community participation while maintaining standards of excellence.
2. Provide a wide range of creative opportunities, to inspire people, particularly Cornish children and students, to learn and develop all skills associated with live performances.
3. Educate visitors about Rowena Cade, her story and that of the Minack. Inspire them through creative presentation of exhibitions, live narration and digital interpretation.
4. Develop and nurture the natural environment of the Minack, especially the gardens, to enhance the experience of visiting the theatre and inspire people through its unique balance of natural and human art.
5. Provide sustainable, modern facilities for audiences, visitors, staff and performers that are suitable to the unique environment of the Minack.

6. Develop and support an outstanding team of versatile people to ensure visitors, performing companies and participants enjoy a life enhancing experience at the Minack.
7. Develop retail and catering strategies to meet the reasonable expectations of visitors given the nature of the site and generate funds to support aims 1 to 6.
8. Generate sufficient funds through core activities to achieve aims 1 to 6 in a viable manner for the very long term.

Objectives for the year

The objectives for the year were to continue working towards achievement of the charity's aims which during 2021 were to:

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

Strategies to achieve the year's objectives

1. Create a varied and engaging programme of live performance to attract a large and diverse audience.
2. Build on our educational and outreach programme to engage young people, especially those in hard to reach sectors.
3. Continue to develop methods to communicate the story of Rowena Cade and enhance the profile of the Minack Theatre.
4. Maintain robust policies for capital expenditure and financial management

Principal activities of the year

The principal activities of the charity are usually to:

1. Put on theatre performances and music and comedy events throughout the year, and a programme of storytelling performances in the school holidays.
2. Provide a comprehensive education programme offering opportunities for local school children, the wider local community and visitors to Cornwall to learn and develop skills associated with the performing arts and theatre in particular.
3. Open the Minack throughout the year for visitors to explore the theatre and gardens and learn about Rowena Cade and how she created the Minack.

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

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

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

The principal activities of the charity were significantly affected throughout 2021 due to the Covid-19 pandemic. The Minack was closed from 1 January to 11 April and events could not start until 17 May. From then until 19 July many of the usual principal activities happened, but with significantly reduced visitor numbers in order to maintain the stipulated 'social distance' between household groups of 1m+.

Auditors

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

Review of Achievements & Public Benefit for 2021

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

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

The Minack has been run by a charity since 1976, developing without support from the public purse before the Covid-19 pandemic except for one £30,000 grant in 1998 towards the building of the Visitor Centre. During 2021, it has received funds to pay furloughed staff under the Coronavirus Job Retention Scheme and £24,750 in support grants from Cornwall Council.

186,200 visitors came to the Minack in 2021 (including show audiences), an expected but significant increase on the 104,342 who visited the theatre in 2020. Despite the national lockdown in the first quarter of the year and the retention of social distancing in public places until late July, the Minack was able to welcome visitors from 12 April and to stage performances (with limited audience numbers) from 25 May.

Audience capacity was increased (within government guidelines) as social distancing for seated audience members relaxed from 19 July. Despite the challenge of changing guidelines and an ongoing health crisis, the Minack performed to 87% capacity audiences across the traditional season to the end of September. A further 10,384 watched one of 42 performances in October and December. It is also notable that no performances in 2021 were cancelled due to Covid.

Despite the ongoing impact of the Covid-19 pandemic, the achievements and public benefits that the Minack provided in 2021 against the aims of the charity include:

- I. Programme a wide range of theatre and other events to engage a diverse audience and enable active community participation while maintaining standards of excellence.**
 - a. During 2021 we programmed 231 performances including 26 storytelling shows for children and families. We also held a play-reading of *The Valley* for an invited audience of friends and local residents. Of our main programme, 29 performances included community or non-professional players, an additional 27 involved children, young people or students and over 115 gave employment to Cornish-based professional companies or performers.
 - b. We staged six Minack productions, *And then Come the Nightjars*, *The Wolves of Willoughby Chase*, *Ocean World*, *Songs Under the Stars*, *The Beauty Queen of Leenane* and *The Kiss that Missed*. *And then Come the Nightjars* was also performed at The Lost Gardens of Heligan. We also produced the annual *Minack Proms* ourselves working with 21 freelance professional musicians, 17 of whom are based in Cornwall.
 - c. Among many highlights during the year, we welcomed the G7 Partners to a special performance of excerpts from *Ocean World*. Despite the restrictions of Covid-19 which still impacted community theatre groups, we welcomed back four of our regular community based companies along with Cornwall-based Miracle Theatre, Illyria, David Mynne and Bash Street Theatre. We also welcomed first time performers at the Minack, Soda Bread Theatre and Told by an Idiot, comedian Adam Kay and local Cornish company 'Owdyado Theatre.

- d. Our audience in 2021 came from all parts of the UK, though the largest proportion were from the South East and South West. There were a negligible number of overseas visitors.
- e. 82,408 people attended a performance at the Minack during 2021. 18% of our audience for performances were aged under 16 (rising to 42% for storytelling shows) and we issued 442 free tickets to carers accompanying people with access needs. Stating an age is an optional feature of our booking system but based on the sample of >20,000 ticket purchasers (including those who did not attend performances) who did give their ages, 55% of them were aged 40 – 59, 24% were 24 – 39 and 18% were 60+.

2. Provide a wide range of creative opportunities, to inspire people, particularly Cornish children and students, to learn and develop all skills associated with live performances.

- a. In 2021 we expanded our educational programme to provide more creative opportunities and activities for young people, both virtually during lockdown in the early part of the year, and later on in person.
- b. Although activities were limited during the early part of the year, the Minack Acting and Musical Theatre Academies continued to provide opportunities for young people to develop their skills, including a workshop in unarmed combat with 'Master at Arms' Keith Wallis, and a visit from actor Christopher Eccleston. Our Acting Academy students all achieved either Merit or Distinction in Trinity Acting exams.
- c. Students of the Musical Theatre Academy took part in *Songs Under the Stars* with West End performers Alistair Brammer and Nicola Espallardo and members of the Acting Academy took leading roles in *The Wolves of Willoughby Chase*. The Acting Academy also performed four newly commissioned plays from new writers on the main stage as part of our Emerging Writers scheme.
- d. In September we auditioned entrants for both Academies, and saw the highest standard to date, resulting in the promotion of the more advanced members of each Academy to an Extended Academy.
- e. The Arts Award programme continued to help students achieve recognised qualifications. In 2021, eighteen students passed the introductory 'Discover' level, with a further twelve in progress. Three Minack Academy students completed the 'Explore' level while three gained their Bronze and one their Silver Arts Award. There was a 100% pass rate for members of the Acting Academy who took these exams.
- f. *Ocean World* was our first full scale education production, bringing together over 200 students from schools across Cornwall, plus students from the Lockwood School of Urban Dance, the Minack Academies and Cornwall Youth Chamber Choir.
- g. We created a very successful education programme for Shakespeare week, based on a dramatic retelling of the story of *Macbeth* by John Brolly on the Minack stage. This was available online to schools throughout the UK and the pack was downloaded by 278 schools nationwide.
- h. Engagement with schools was once more constrained during the first half of the year due to Covid-19, however we worked with students from seventeen schools across Cornwall (not including those who participated in Shakespeare Week) and delivered a total of 5,267 student hours of engagement.

- i. We expanded our outreach work to engage hard to reach children in deprived areas. Working with Three Villages, Trelya and Learn 2 we delivered 241 student hours of engagement. We also established Creativity Club, a weekly arts club for 7 – 11 year olds based in The Centre, Newlyn.
- j. We ran a series of eight 'Play in a Day' workshops which were free to the public, enabling young people to enjoy a creative experience without the commitment of our more in-depth programmes.
- k. We also held a Youth Arts Network workshop as part of a project run by SHIFT (who are part of the Wiltshire Creative). A group of students created poignant audio or video pieces reflecting issues important to them. Their work was on display for a month at the Salisbury Art Centre.

3. Educate visitors about Rowena Cade, her story and that of the Minack. Inspire them through creative presentation of exhibitions, live narration and digital interpretation.

- a. During the first months of 2021, while we were unable to open, we continued to communicate with the public via social media, through a series of videos created by Mark Harandon in the character of Billy Rawlings, telling stories of the history of the theatre, short excerpts from our video library of recollections about the theatre and periodic updates on the work of our gardeners through the winter and spring. These videos all received thousands of views.
- b. When the theatre first reopened to visitors, we were unable to give the public access to the Rowena Cade Exhibition, so we created a series of five guided tours to tell people the story of the Minack in a variety of imaginative ways, from the story of Billy and Miss Cade to an escape room style treasure hunt. These tours proved very popular and were delivered to a total of 1,757 people throughout the year.
- c. We also created a digital audio tour, downloadable onto a mobile phone for people to use to view the theatre at their own pace.
- d. We engaged in a cultural exchange with the Yakshagana Keremane Theatre in Kerala, India, and welcomed Shridhar Hegde for a six week visit, to share experience and best practice with the Minack.

4. Develop and nurture the natural environment of the Minack, especially the gardens, to enhance the experience of visiting the theatre and inspire people through its unique balance of natural and human art.

- a. In the time of Covid-19 our visitors especially valued the freedom to enjoy the outdoor space. Survey respondents who had visited previously commented on the improvements to the gardens this year. Throughout 2021 our garden team worked to make the Minack gardens more accessible and appealing to the public, remodelling paths to create easier access and putting particular emphasis on keeping pathways clear and bedding areas weeded and trimmed. During the winter of 2021 the grounds team created a step free pathway through the upper garden, to enable visitors with mobility restrictions to use the same entrance as the rest of the public, and to enjoy the spectacular views from the upper parts of the garden.

- b. The garden team developed a new plan for the gardens to enable plants to thrive better and to give a better viewing experience to the public. This includes grouping plants in the same area so it is easier to see the differences within plant families such as Eryngiums (Sea Holly) and Agapanthus. We will continue to work on this going forward.
- c. In more exposed areas where high levels of damage occur we have started to use hardy annuals and annual bedding plants that are a cheaper alternative when it comes to being replaced.
- d. We have also begun to plant more hardy perennials, which suffer less damage as they are dormant in the harsher winter months. This also reduces the necessity to replace plants in Spring.
- e. The garden team have thinned out the existing planting to give individual plants more space, making them stronger and more able to cope in winter. This is essential to preserve succulents and South African plants.
- f. The team have planted South African heathers along the lane to the car park, to make a more attractive entrance.
- g. Historically, re-turfing the grass terraces has been done in early spring, however, this year the team overhauled the terraces and laid new turf in November/December, to give the grass longer to root and become stronger. This is an experiment to help the terraces be more robust and look better for longer.
- h. The Minack was awarded Plastic Free status during 2021 as part of Planet PK's bid for the village to be designated Plastic Free.

5. Provide sustainable, modern facilities for audiences, visitors, staff and performers that are suitable to the unique environment of the Minack.

- a. The Executive Director is working with the Trustees to create an Estates Management Strategy, a framework within which the buildings and grounds can be developed in order to accommodate the medium to long term strategic aims of the Minack as a theatre and a visitor destination.
- b. Progress has been made through 2021 to ascertain the structural integrity of Rowena Cade's original work which dates from 1932 to the late 1970s. A detailed survey was commissioned from a concrete specialist and further investigative work is planned for 2022. This will inform a maintenance and replacement strategy to protect the iconic features of the Minack stage and auditorium.

6. Develop and support an outstanding team of versatile people to ensure visitors, performing companies and participants enjoy a life enhancing experience at the Minack.

- a. The Minack is one of the area's biggest employers with a total wage and salary bill of £791,703 in 2021 (2020: £875,309).

- b. The Minack employed 34 people year-round and 60 people during the height of the performing season.
- c. Staff were paid at least 38p above the National Living Wage and were offered flexible working. Over 85% of staff live in the rural area to the west of Penzance. From 1 January 2022 the minimum wage for all staff over the age of 21 will be £10 per hour which is above the 'Real Living Wage' as determined by the Living Wage Foundation.
- d. Staff training through the year focussed on rebuilding the team after 2020's restructuring process, plus training the staff in operational aspects such as first aid, safeguarding, fire safety and terrorism awareness.
- e. Over 100 freelance practitioners were engaged on Minack productions and the education programme during the year. 77% of these are based in Cornwall.

7. Develop retail and catering strategies to meet the expectations of visitors and generate funds to support aims 1 to 6.

Retail and catering provision was affected by the pandemic and the need to maintain social distancing until July. Once distancing lifted the catering operation was also affected by the lack of available staff within the area. Despite this both areas performed well financially. The spend per head on catering was £1.77 which is just above 2020's £1.76 and significantly above 2019's record £1.51.

The Minack continued to source almost all goods for resale from within the Cornish economy and continued to minimise use of single use plastics within this area of operation.

8. Generate sufficient funds through core activities to achieve aims 1 to 6 in a sustainable manner.

Unlike most theatres in the UK, the Minack depends almost exclusively on earned income. In 2021 we were able to recoup the losses of 2020 and achieve a surplus to maintain our ongoing programmes and help protect the historic fabric of the Minack Theatre.

In 2021 the Minack made a direct annual contribution to the Cornish economy of over £1m. It attracted 186,200 visitors, of whom 90% had home addresses outside Cornwall. The majority of these visited as part of their holiday in Cornwall, staying locally and spending at other businesses on their way to and from the theatre.

Wherever possible, the Minack sources goods and services from within Cornwall. Over the last twenty years, using Cornish companies, it has completed building projects costing more than £2,000,000.

Financial review and results for the year

- a. The trustees do not believe that any material difference that may exist between the book values and actual values of assets has any material effect on the ongoing activities of the CIO.
- b. The detailed results are set out on pages 26 to 44 and show the net movement in funds for the year was a surplus of £415,763 (deficit of £296,487 in 2020, surpluses in 2019: £136,144, 2018: £75,434). Thus taking the two years 2020 and 2021 together, a surplus of £119,276 was achieved. The 2021 surplus was due to the relaxing of social distancing measures in late July: the year had been planned financially on the assumption that those restrictions may not be lifted.
- c. Income from the theatre was £831,293 against £269,018 in 2020 and £565,460 in 2019 (see note 2 on page 34). Expenditure on Minack productions increased from £85,241 in 2020 to £326,842 (2019: £233,364). Apportioning a share of the overhead cost of operating the theatre and visitor centre, on the basis of the % of visitors who watch a performance, shows the theatre programme contributed £117,995 (2020: a cost of £239,790, 2019: a cost of £84,668). See note 6 on page 38.
- d. The education programme cost £42,827 in direct costs (2020: 37,778, 2019: £81,123), however there were an additional £44,840 in wages and salaries attributable to this programme (2020: £32,862, 2019: £35,564) and £4,671 of overhead costs, plus £1,648 of income. The net cost of education therefore was £90,690 (2020: £72,076, 2019: £121,420). This cost has been drawn from the designated reserve to support productions and education.
- e. Visitor admissions totalled £754,246 (2020: £366,799, 2019: £742,379). Apportioning a share of the overhead cost of operating the theatre and visitor centre, on the basis of the % who visit rather than see a performance, shows a net income from visitors of £247,893 (2020: net cost of £326,671, 2019: net income of £220,731).
- f. During 2021, £110,179 (2020: £143,890, 2019: £222,990, 2018: £251,819) was spent on repairs and £11,994 (2020: £69,724, 2019: £127,682, 2018: £448,076) on capital items.
- Expenditure on projects costing more than £5,000:
- Replacement of tractor mower: £5,729
- g. The charity's wholly-owned subsidiary Minack Theatre Limited generated a net income of £32,269 (2020: £15,819, 2019: £57,771, 2018: £61,931) on trade through its retail shop. The company made a profit on ordinary activities of £12,935. In 2020 the company made a loss of £298. The 2021 profit covered the 2020 loss and covenanted £12,637 back to the charity.

Previous years' profits on ordinary activities which were covenanted back to the charity were 2019: £19,051, 2018: £24,235.

- h. The trustees confirm the availability of assets to fulfil the obligations of the charity without recourse to borrowing.
- i. Voluntary income totalled £18,044 (2020: £58,271). This heading covers the income from the "Friends" subscriptions of £11,955 (2020: £23,644) and donations of £6,089 (2020: £34,627). Donations increased in 2020 as many of those who had purchased theatre tickets in advance of the Covid-19 lockdown generously donated all or part of the cost of their tickets rather than taking a refund.
- j. The trustees thank all the many donors who have helped the Minack over the years. Without the funds raised in that way, they would be able to do considerably less to improve the Minack.
- k. The Minack benefited from two forms of government support that the charity was eligible to receive in the exceptional circumstances arising from the Covid-19 pandemic. £24,750 was received as Covid-19 business grants (linked to the rateable value of the site) and £61,490 was received from the Coronavirus Job Retention Scheme to support the wages and salaries of staff when there was insufficient work for them over the first five months of the year (see note 9 on page 39).

The trustees thank all the staff of the Minack for their adaptability and support through 2021.

Reserves policy

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

- a. Fund routine seasonal commitments which will continue to run at a high level. A net cash outflow of over £200,000 can be experienced in the winter. £150,000 has been designated to cover this winter cash outflow, the same as last year.
- b. Withstand the financial consequences of a significant reduction in visitors, for example due to a season of particularly poor weather, or due to enforced closure arising from an event outside the Minack's control. A 20% reduction in visitors with no associated reduction in expenditure could see a reduction of cash inflow of about £387,500. The amount designated to mitigate this risk has increased to £400,000.
- c. Cope with unexpected repairs particularly those relating to the construction work carried out by Rowena Cade the founder between 1931 and the late 1970s. As a project is underway to assess the condition of this construction work, this reserve has been increased from £300,000 to £500,000.
- d. Provide a capital reserve equating to the written down value of the fixed assets, recognising that these assets are not readily convertible into cash. This reserve is currently £2,254,831.
- e. Cover three years of Minack Productions and the education programme at £200,000 per year: £600,000.

Investment policy

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

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

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

Investments generated £137 (2020: £3,888) interest receivable for the year.

Plans for future years

At the time of writing this report early in 2022, the government restrictions on activity which are designed to control the spread of Covid-19 are being lifted. The Business Plan for 2022 assumes there are no restrictions due to Covid-19.

Events and Visitors

A season of productions will run from mid-March until November with a short additional season in December.

This will include Minack productions, co-productions and visiting productions of theatre and musicals, plus a programme of one or two night events mainly of music and comedy.

Minack productions will include:

1. A co-production of Carl Grose's *Superstition Mountain* with Ha Hum Ah Theatre.
2. The production of *Hetty Feather* by Jacqueline Wilson, adapted by Emma Reeves which was almost ready to open when the first lockdown was imposed in 2020.
3. A co-production of *Calvino Nights* with Mike Shepherd and imPOSSIBLE.
4. A production of *The Firework-Maker's Daughter*, an opera by David Bruce and Glyn Maxwell based on Philip Pullman's book. This is in association with Tête à Tête Opera.
5. A production of *One Small Bird* by Kate Stilitz and Jilly Jarman involving a significant number of children from west Cornwall Schools, and being produced in partnership with Cornwall Music Service Trust.
6. Restaging the 2021 production of *The Kiss That Missed*, adapted by John Brolly from the David Melling storybook which will be touring to schools and other venues around Cornwall and the south west.

There will be storytelling events in the school holidays, and a programme of appearances by Mark Harandon in his role telling the history of the Minack through the eyes of Rowena Cade's gardener, Billy Rawlings. There will also be opportunities for visitors to learn more about aspects of the Minack through a series of tours.

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

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

Taking Part

The education programme has suffered due to the social distancing restrictions in 2020 and 2021. The aim for 2022 is to enable all children who have missed the opportunity for schools' workshops on the Minack stage due to the pandemic to visit during the year.

There are also performance opportunities planned for Cornish young people through the Minack Youth Theatre programme.

- 1) Twelve young people age 12 to 18 from across Cornwall are taking principal roles in the Minack production of *Hetty Feather*, scheduled to perform in April 2022.

- 2) A cast of younger children will perform a new telling of the St Michael's Mount story, *The Giant* in September 2022.
- 3) A group of musical theatre students will perform a production alongside students from the British Theatre Academy in October 2022.
- 4) Over 200 west Cornish school children will take to the stage as singers, dancers, actors and musicians to perform the ecological musical *One Small Bird*.

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

The Education Team will produce at least eight "plays in a day" during the year, including at least one for adults to join in with.

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

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

Additional Plans

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

In addition to routine repairs and maintenance, there will be a programme of minor capital projects including improvements to the sound and lighting systems, replacement of the fencing around the Sports Field and continued development of the gardens.

Statement of Trustees' responsibilities

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

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

In preparing those financial statements, the trustees are required to:

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

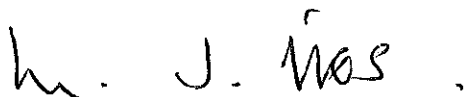
The trustees are required to act in accordance with the Constitution of the charity, within the framework of charity law. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them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

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

Statement of disclosure to auditor

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

By order of the trustees:-



M. J. Iles

For and on behalf of the trustees

The Minack Theatre,
Porthcurno,
Penzance,
Cornwall TR19 6JU.

25 May 2022

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

Opinion

We have audited the financial statements of The Minack Theatre Trust CIO (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheets, the consolidated and charity statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the charity's future prospects

and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charity associated with these particular events.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the laws and regulations that were most significant were those that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, and compliance with the Charities Statement of Recommended Practice. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for potential bias.

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

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

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

Use of our report

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

RRL LLP

RRL LLP (Statutory Auditor)

*Peat House
Newham Road
TRURO
Cornwall
TR1 2DP*

31 May 2022

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

incorporating the income & expenditure account for the year ended 31 December 2021

		2021	2020
	Unrestricted	Restricted	Total
Income and endowments from: Note	£	£	£
Voluntary income			
Donations, legacies and Friends' subscriptions	18,044	-	18,044
Grants receivable 9	86,240	-	86,240
Charitable activities			
Income from theatre 1&6			
Minack productions 2	471,004	-	471,004
Visiting companies 2	360,289	-	360,289
Education income 6	768	-	768
Booking charges	69,813	-	69,813
Visitor admissions	754,246	-	754,246
Theatre and Visitor catering	361,548	-	361,548
	2,017,668	-	2,017,668
Other trading activities			
Commercial trading operations 3	70,996	-	70,996
Investment income	137	-	137
Other			
Profit on the sale of fixed assets	750	-	750
Total	2,193,835	-	2,193,835
Expenditure on:			
Raising funds			
Commercial trading operations	35,602	-	35,602
Charitable activities			
Minack productions 2,5&6	326,842	-	326,842
Education projects 2,5&6	42,827	-	42,827
Operating the Theatre and Visitor Centre 1,5,6&7	1,372,801	-	1,372,801
	1,742,470	-	1,742,470
Total	1,778,072	-	1,778,072
Net income/(expenditure) 4	415,763	-	415,763
Transfers between funds	-	-	-
Net movement in funds	415,763	-	415,763
Total funds brought forward	4,121,800	-	4,121,800
Total funds carried forward 21	4,537,563	-	4,537,563

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

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

incorporating the income & expenditure account for the year ended 31 December 2021

		Unrestricted	Restricted	2021 Total	2020 Total
Income and endowments from:	Note	£	£	£	£
Voluntary income					
Donations, legacies and Friends' subscriptions		18,044	-	18,044	58,271
Grants receivable	9	86,240	-	86,240	261,722
Charitable activities					
Income from theatre	1				
Minack productions	2	471,004	-	471,004	125,635
Visiting companies	2	360,289	-	360,289	143,383
Education income		768	-	768	400
Booking charges		69,813	-	69,813	27,643
Visitor admissions		754,246	-	754,246	366,799
Theatre and Visitor catering		361,548	-	361,548	191,058
		<u>2,017,668</u>	<u>-</u>	<u>2,017,668</u>	<u>854,918</u>
Other trading activities					
Commercial trading operations		19,334	-	19,334	16,117
Investment income		12,774	-	12,774	3,888
Other					
Profit on the sale of fixed assets		750	-	750	-
Total		<u>2,154,810</u>	<u>-</u>	<u>2,154,810</u>	<u>1,194,916</u>
Expenditure on:					
Raising funds					
Commercial trading operations		-	-	-	-
Charitable activities					
Minack productions	2,5&6	326,842	-	326,842	85,241
Education projects	1,2,5&6	42,827	-	42,827	37,778
Operating the Theatre & Visitor Centre	1,5,6&7	1,369,676	-	1,369,676	1,368,086
		<u>1,739,345</u>	<u>-</u>	<u>1,739,345</u>	<u>1,491,105</u>
Total		<u>1,739,345</u>	<u>-</u>	<u>1,739,345</u>	<u>1,491,105</u>
Net income/(expenditure)	4	415,465	-	415,465	(296,189)
Transfers between funds		-	-	-	-
Net movement in funds		415,465	-	415,465	(296,189)
Total funds brought forward		4,122,098	-	4,122,098	4,418,287
Total funds carried forward	21	<u>4,537,563</u>	<u>-</u>	<u>4,537,563</u>	<u>4,122,098</u>

There were no acquisitions or discontinued activities in the year to 31 December 2021 or the year to 31 December 2020. The charity has no recognised gains or losses in the year other than the net income as shown above. All income and expenditure relates to unrestricted funds.

CONSOLIDATED AND CHARITY BALANCE SHEETS

at 31 December 2021

		The Group		The Charity	
		2021	2020	2021	2020
	Note	£	£	£	£
Fixed assets					
Tangible assets	10	2,254,831	2,351,301	2,254,831	2,351,301
Investments	11	-	-	2	1
		<u>2,254,831</u>	<u>2,351,301</u>	<u>2,254,833</u>	<u>2,351,302</u>
Current assets					
Stocks	1&12	28,711	30,834	11,879	10,863
Debtors	13	101,608	99,911	134,245	119,911
Short term deposits		2,322,631	1,768,119	2,322,631	1,768,119
Cash in hand and at bank		40,151	16,583	21,584	13,969
		<u>2,493,101</u>	<u>1,915,447</u>	<u>2,490,339</u>	<u>1,912,862</u>
Creditors					
Amounts falling due within one year	14	(210,369)	(144,948)	(207,609)	(142,066)
		<u>2,282,732</u>	<u>1,770,499</u>	<u>2,282,730</u>	<u>1,770,796</u>
Net current assets					
		<u>2,282,732</u>	<u>1,770,499</u>	<u>2,282,730</u>	<u>1,770,796</u>
Total assets less current liabilities	16	<u>4,537,563</u>	<u>4,121,800</u>	<u>4,537,563</u>	<u>4,122,098</u>
Funds					
Unrestricted					
Designated	1&21	1,650,000	1,350,000	1,650,000	1,350,000
Capital reserve	1&21	2,254,831	2,351,301	2,254,831	2,351,301
General	1&21	632,732	420,499	632,732	420,797
		<u>4,537,563</u>	<u>4,121,800</u>	<u>4,537,563</u>	<u>4,122,098</u>
Total funds	21	<u>4,537,563</u>	<u>4,121,800</u>	<u>4,537,563</u>	<u>4,122,098</u>

These financial statements were approved and authorised for issue by the Trustees on 25 May 2022.

M. J. Iles

M. J. Iles

For and on behalf of the Trustees

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

at 31 December 2021

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Cash flow from operating activities	589,187	(302,457)	560,598	(301,325)
Cash flow from investing activities				
Investment income	137	3,888	12,774	3,888
Investment in Minack Productions Ltd	-	-	(1)	-
Purchase of tangible fixed assets	(11,994)	(69,724)	(11,994)	(69,724)
Proceeds from disposal of tangible fixed assets	750	-	750	-
	<u>(11,107)</u>	<u>(65,836)</u>	<u>1,529</u>	<u>(65,836)</u>
Net change in cash and cash equivalents	578,080	(368,293)	562,127	(367,161)
Cash and cash equivalents at the start of the year	1,784,702	2,152,995	1,782,088	2,149,249
Cash and cash equivalents at the end of the year	<u>2,362,782</u>	<u>1,784,702</u>	<u>2,344,215</u>	<u>1,782,088</u>

Reconciliation of net income to cash flow from operating activities

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Net income/(expenditure) for the year	415,763	(296,487)	415,465	(296,189)
Adjusted for:				
Fixed asset depreciation	108,464	109,725	108,464	109,725
(Profit)/loss on the sale of fixed assets	(750)	800	(750)	800
Investment income	(137)	(3,888)	(12,774)	(3,888)
Movement in stock	2,123	3,735	(1,016)	1,968
Movement in debtors	(1,697)	(65,544)	(14,334)	(66,577)
Movement in creditors	65,421	(50,798)	65,543	(47,164)
Cash flow from operating activities	<u>589,187</u>	<u>(302,457)</u>	<u>560,598</u>	<u>(301,325)</u>

NOTES

(forming part of the financial statements)

1. Summary of significant accounting policies

1.1 General information and basis of preparation

The Minack Theatre Trust CIO is a charitable incorporated organisation, registered in England. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are outlined on pages 7 to 9.

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

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

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

1.2 Consolidation

The consolidated financial statements incorporate those of The Minack Theatre Limited, the charity's subsidiary undertaking. Minack Productions Limited, a further subsidiary, was incorporated on 14 December 2021. The company is currently dormant.

1.3 Funds

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

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

1.4 Income recognition

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

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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

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

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

Other income includes gains on disposals of tangible fixed assets.

1.5 Expenditure recognition

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

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

Irrecoverable VAT is separately identified in charitable expenditure.

1.6 Support costs allocation

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

1.7 Intangible assets

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

1.8 Tangible fixed assets

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

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

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

1.9 Heritage assets

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

1.10 Investments

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

1.11 Stocks

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

1.12 Debtors and creditors receivable / payable within one year

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

1.13 Impairment

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

1.14 Provisions

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

1.15 Leases

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

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

1.16 Employee benefits

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

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

1.17 Tax

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

1.18 Going concern

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

1.19 Judgements and key sources of estimation uncertainty

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

2. Income from theatre

2.1 Income

	2021	2020
	£	£
Rental income due to Minack Theatre Trust CIO	360,289	143,383
Minack production income (see note 2.2)	471,004	125,635
	<u>831,293</u>	<u>269,018</u>

2.2 Minack Productions

	2021	2020
	£	£
Minack production income	366,874	78,986
Storytelling income	104,130	46,649
	<u>471,004</u>	<u>125,635</u>
Minack production expenditure	(302,172)	(60,117)
Storytelling expenditure	(24,670)	(25,124)
	<u>(326,842)</u>	<u>(85,241)</u>
Net Minack production income	<u>144,162</u>	<u>40,394</u>

3. Other trading activities

This represents income from the sale of goods conducted through its subsidiary The Minack Theatre Limited.

	2021	2020
	£	£
Turnover	70,996	42,332
Cost of sales	(35,602)	(23,633)
	<hr/>	<hr/>
Gross profit	35,394	18,699
Administrative costs and interest payable	(500)	(530)
Governance	(2,625)	(2,350)
	<hr/>	<hr/>
Net income from trading	32,269	15,819
	<hr/>	<hr/>

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

<i>Stated after charging/(crediting):</i>	2021	2020
	£	£
Auditors' remuneration - audit	7,425	6,950
Depreciation	108,464	109,725
Profit on the sale of fixed assets	(750)	-
	<hr/>	<hr/>

5. Analysis of charitable expenditure

Cost of operating the Theatre, Education Programme & Visitor Centre

The Group				2021	2020
	Theatre	Education	Visitors	Total	Total
	£	£	£	£	£
Purchases	53,020	-	77,920	130,940	64,741
Wages	240,668	20,663	310,060	571,391	637,311
Salaries	50,973	21,177	41,638	113,788	138,706
Printing and stationery	2,089	60	2,631	4,780	4,388
Promoting the Theatre's activities	10,367	299	13,058	23,724	31,437
Repairs and maintenance	48,148	1,389	60,642	110,179	143,890
Light, heat, rates and water	7,074	204	8,909	16,187	14,025
Insurance	6,199	179	7,808	14,186	14,721
Motor and travel	679	20	854	1,553	956
Telephone and postage	1,510	44	1,902	3,456	8,182
Sanitation	13,235	382	15,319	28,936	25,079
Miscellaneous	5,671	164	9,543	15,378	14,081
Bank charges	750	-	946	1,696	2,850
Credit & debit card charges	23,209	-	29,232	52,441	21,644
VAT (Unrecovered Input Tax)	11,062	-	13,932	24,994	23,896
Depreciation	47,399	1,367	59,698	108,464	109,725
Loss on disposal of fixed assets	-	-	-	-	800
	<u>522,053</u>	<u>45,948</u>	<u>654,092</u>	<u>1,222,093</u>	<u>1,256,432</u>
Management & administration					
Salaries	46,551	3,000	56,973	106,524	99,292
Professional fees	16,064	463	20,232	36,759	7,223
Trustee expenses	-	-	-	-	539
Governance (note 7)	3,452	100	3,873	7,425	6,950
	<u>66,067</u>	<u>3,563</u>	<u>81,078</u>	<u>150,708</u>	<u>114,004</u>
	<u><u>588,120</u></u>	<u><u>49,511</u></u>	<u><u>735,170</u></u>	<u><u>1,372,801</u></u>	<u><u>1,370,436</u></u>

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

5. Analysis of charitable expenditure (continued)

Cost of operating the Theatre, Education Programme & Visitor Centre

The Charity	Theatre	Education	Visitors	2021 Total	2020 Total
	£	£	£	£	£
Purchases	53,020	-	77,920	130,940	64,741
Wages	240,668	20,663	310,060	571,391	637,311
Salaries	50,973	21,177	41,638	113,788	138,706
Printing and stationery	2,089	60	2,631	4,780	4,388
Promoting the Theatre's activities	10,367	299	13,058	23,724	31,437
Repairs and maintenance	48,148	1,389	60,642	110,179	143,890
Light, heat, rates and water	7,074	204	8,909	16,187	14,025
Insurance	6,199	179	7,808	14,186	14,721
Motor and travel	679	20	854	1,553	956
Telephone and postage	1,510	44	1,902	3,456	8,182
Sanitation	13,235	382	15,319	28,936	25,079
Miscellaneous	5,671	164	9,543	15,378	14,081
Bank charges	529	-	667	1,196	2,850
Credit & debit card charges	23,209	-	29,232	52,441	21,644
VAT (Unrecovered Input Tax)	11,062	-	13,932	24,994	23,896
Depreciation	47,399	1,367	59,698	108,464	109,725
Loss on disposal of fixed assets	-	-	-	-	800
	<u>521,832</u>	<u>45,948</u>	<u>653,813</u>	<u>1,221,593</u>	<u>1,256,432</u>
Management & administration					
Salaries	46,551	3,000	56,973	106,524	99,292
Professional fees	16,064	463	20,232	36,759	7,223
Trustee expenses	-	-	-	-	539
Governance (note 7)	2,097	61	2,642	4,800	4,600
	<u>64,712</u>	<u>3,524</u>	<u>79,847</u>	<u>148,083</u>	<u>111,654</u>
	<u><u>586,544</u></u>	<u><u>49,472</u></u>	<u><u>733,660</u></u>	<u><u>1,369,676</u></u>	<u><u>1,368,086</u></u>

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

6. Net income by charitable activity

The Group					2021	2020
		Theatre	Education	Visitors	Total	Total
	Note	£	£	£	£	£
Direct income	2	831,293	768	754,246	1,586,307	636,217
Booking charges		30,508	880	38,425	69,813	27,643
Theatre and Visitor catering		160,013	-	201,535	361,548	191,058
		<u>1,021,814</u>	<u>1,648</u>	<u>994,206</u>	<u>2,017,668</u>	<u>854,918</u>
Direct Expenditure	2	(315,699)	(42,827)	(11,143)	(369,669)	(123,019)
Charitable Expenditure	5	(588,120)	(49,511)	(735,170)	(1,372,801)	(1,370,436)
		<u>(903,819)</u>	<u>(92,338)</u>	<u>(746,313)</u>	<u>(1,742,470)</u>	<u>(1,493,455)</u>
Net income/(expenditure) by activity		<u>117,995</u>	<u>(90,690)</u>	<u>247,893</u>	<u>275,198</u>	<u>(638,537)</u>

The Charity					2021	2020
		Theatre	Education	Visitors	Total	Total
	Note	£	£	£	£	£
Direct income	2	831,293	768	754,246	1,586,307	636,217
Booking charges		30,508	880	38,425	69,813	27,643
Theatre and Visitor catering		160,013	-	201,535	361,548	191,058
		<u>1,021,814</u>	<u>1,648</u>	<u>994,206</u>	<u>2,017,668</u>	<u>854,918</u>
Direct Expenditure	2	(315,699)	(42,827)	(11,143)	(369,669)	(123,019)
Charitable Expenditure	5	(586,544)	(49,472)	(733,660)	(1,369,676)	(1,368,086)
		<u>(902,243)</u>	<u>(92,299)</u>	<u>(744,803)</u>	<u>(1,739,345)</u>	<u>(1,491,105)</u>
Net income/(expenditure) by activity		<u>119,571</u>	<u>(90,651)</u>	<u>249,403</u>	<u>278,323</u>	<u>(636,187)</u>

7. Governance costs

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Auditor's remuneration	7,425	6,950	4,800	4,600
	<u>7,425</u>	<u>6,950</u>	<u>4,800</u>	<u>4,600</u>

8. Staff costs and numbers

The average number of employees in the 2021 season was 51 (2020: 65) and 35 (2020: 39) out of season. There was one employee whose total remuneration fell between £80,000 and £90,000 during the reporting year.

	2021	2020
	£	£
Wages and salaries	716,177	800,475
Social security costs	49,825	49,243
Pension costs	25,701	25,591
	<hr/>	<hr/>
	791,703	875,309
	<hr/>	<hr/>

The charity contributes to a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the fund and amounted to £25,701 (2020: £25,591). There were no outstanding contributions at the year-end (2020: nil).

The total employee benefits of key management personnel for the group was £205,132 (2020: £195,619).

9. Government Grants

The charity received two types of government grant in 2021 due to the Covid-19 pandemic:

	2021	2020
	£	£
Coronavirus job retention scheme	61,490	234,722
Covid19 business grant funding	24,750	27,000
	<hr/>	<hr/>
	86,240	261,722
	<hr/>	<hr/>

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

The charity has received no other form of government assistance.

10. Tangible fixed assets

<i>(the Group and the Charity)</i>	Land & Buildings	Fixtures & Fittings	Total
Cost	£	£	£
At 1st January 2021	2,847,199	574,973	3,422,172
Additions	-	11,994	11,994
Disposals	-	(55,618)	(55,618)
	<hr/>	<hr/>	<hr/>
At 31st December 2021	2,847,199	531,349	3,378,548
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st January 2021	614,437	456,434	1,070,871
Disposals	-	(55,618)	(55,618)
Charge for the year	54,806	53,658	108,464
	<hr/>	<hr/>	<hr/>
At 31st December 2021	669,243	454,474	1,123,717
	<hr/>	<hr/>	<hr/>
Net book value			
At 31st December 2021	2,177,956	76,875	2,254,831
	<hr/>	<hr/>	<hr/>
At 31st December 2020	2,232,762	118,539	2,351,301
	<hr/>	<hr/>	<hr/>

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

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

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

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

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

11. Investments

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
100% investment in The Minack Theatre Limited and Minack Productions Limited, companies incorporated in England and Wales				
At 31 st December 2020 and 31 st December 2021	-	-	2	1

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

	2021	2020
	£	£
Turnover	70,996	42,332
Cost of sales and administrative expenses	(57,857)	(42,530)
Interest payable	(204)	(100)
Amount gifted to the charity	(12,637)	-
	<u>298</u>	<u>(298)</u>
Retained in the subsidiary	298	(298)
Current assets and liabilities of the subsidiary were:		
Current assets	35,399	22,585
Creditors: amounts due within one year	(35,398)	(22,882)
	<u>1</u>	<u>(297)</u>
Total net assets	1	(297)
Aggregate share capital and reserves	1	(297)

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

The additional investment in the year represents the purchase of a new wholly owned subsidiary, Minack Productions Limited. This company was dormant from incorporation until the year end.

12. Stocks

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Goods for resale	28,711	30,834	11,879	10,863
	<u>28,711</u>	<u>30,834</u>	<u>11,879</u>	<u>10,863</u>

13. Debtors

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Accrued income and prepayments	101,608	99,911	101,608	99,911
Amount due from subsidiary	-	-	32,637	20,000
	<u>101,608</u>	<u>99,911</u>	<u>134,245</u>	<u>119,911</u>

Prepayments includes £68,091 for costs incurred on *Hetty Feather*, a Minack production planned for 2020 which has been deferred to 2022 due to the Covid19 pandemic. These costs will be released to the statement of financial activities in 2022 when the production has taken place.

14. Creditors

Amounts falling due within one year

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	30,313	20,173	30,313	20,081
Taxation and social security	14,384	1,760	14,384	1,520
Other creditors	22,909	12,282	22,909	12,282
Amount owed to Minack Productions Limited	-	-	1	-
Accruals and deferred income	142,763	110,733	140,002	108,183
	<u>210,369</u>	<u>144,948</u>	<u>207,609</u>	<u>142,066</u>

15. Deferred income

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Brought forward	103,418	129,189	103,418	129,189
Amount released to income	(28,489)	(80,230)	(28,489)	(80,230)
Amount deferred in year	44,888	54,459	44,888	54,459
	<u>119,817</u>	<u>103,418</u>	<u>119,817</u>	<u>103,418</u>

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

16. Analysis of group net assets between fundsAs at 31st December 2021

	Unrestricted fund	Restricted fund	2021 Total	2020
	£	£	£	£
Tangible fixed assets	2,254,831	-	2,254,831	2,351,301
Net current assets	2,282,732	-	2,282,732	1,770,499
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st December 2021	4,537,563	-	4,537,563	4,121,800
	<hr/>	<hr/>	<hr/>	<hr/>

17. Financial commitments

At 31st December 2021, total commitments under non-cancellable operating leases were as follows:

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Operating leases commitments				
Payable within one year	349	1,415	349	1,415
Payable within one to two years	-	349	-	349
	<hr/>	<hr/>	<hr/>	<hr/>
	349	1,764	349	1,764
	<hr/>	<hr/>	<hr/>	<hr/>

18. Capital Commitments

There are no capital commitments contracted for, but not provided in the financial statements (2020: nil).

19. Taxation

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

20. Related party transactions

The trustees received no remuneration. None (2020: one) incurred travel expenses that were reimbursed (2020: £267). None incurred expenses for meals (2020: £259).

There were no other related party transactions.

21. Movement in funds

The Group	Balance at 1 Jan 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
Unrestricted					
Designated					
Winter cash outflow	150,000	-	-	-	150,000
Losses from poor weather	300,000	-	-	100,000	400,000
Unexpected repairs	300,000	-	-	200,000	500,000
Productions & education	600,000	-	(90,690)	90,690	600,000
Capital reserve	2,351,301	-	-	(96,470)	2,254,831
General	420,499	2,193,835	(1,687,382)	(294,220)	632,732
	<u>4,121,800</u>	<u>2,193,835</u>	<u>(1,778,072)</u>	<u>-</u>	<u>4,537,563</u>
The Charity	Balance at 1 Jan 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
Unrestricted					
Designated					
Winter cash outflow	150,000	-	-	-	150,000
Losses from poor weather	300,000	-	-	100,000	400,000
Unexpected repairs	300,000	-	-	200,000	500,000
Productions & education	600,000	-	(90,651)	90,651	600,000
Capital reserve	2,351,301	-	-	(96,470)	2,254,831
General	420,797	2,154,810	(1,648,694)	(294,181)	632,732
	<u>4,122,098</u>	<u>2,154,810</u>	<u>(1,739,345)</u>	<u>-</u>	<u>4,537,563</u>

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

Theatre Shows 2021

Dates	Show Title	Author / Composer	Company
May 25 – June 3	And Then Come the Nightjars	Bea Roberts	Minack
June 6-10	The Cameraman	n/a	Bash Street Theatre
June 13-17	The Further Adventures of Doctor Dolittle	Oliver Gray	Illyria
June 20-24	Tell Me On A Sunday	Andrew Lloyd Webber	Helston Theatre Group
June 28 – July 1	The Canterbury Tales	Adapt from Chaucer	David Mynne
July 4-8	Star Crazy	Bill Scott	Miracle Theatre
July 10-11	Living Spit: Beauty & the Beast	n/a	Living Spit
July 13-15	Ocean World	Peter Rose and Anne Conlon	Minack Education
July 18-28	The Winter's Tale	Shakespeare	Ovo
July 31 - Aug 12	Charlie & Stan	Told By An Idiot	David Pugh and Theatre Royal Bath
Aug 16-20	Our House	Tim Firth	Mitre Players
Aug 24 – Sept 2	The Wolves of Willoughby Chase	Joan Aiken, adapt Russ Tunney	Minack
Sept 6-9	Mischief Movie Night	n/a	Mischief Theatre
Sept 12-16	The 39 Steps	Adapt from John Buchan	Shattered Windscreen
Sept 20-24	HMS Pinafore	Gilbert & Sullivan	Cambridge University G&S Society
Sept 26-30	A Night in November	Marie Jones	Soda Bread Theatre
Oct 13-21	The Beauty Queen of Leenane	Martin McDonagh	Minack
Oct 24-28	Gorgeous Georgians and Vile Victorians	n/a	Horrible Histories
Oct 29-31	The Kiss That Missed	David Melling, adapt John Brolly	Minack
Dec 10-11	Twisted Tales	Various	Owdyadoo
Dec 20-22	A Christmas Carol	Adapt from Dickens	David Mynne

Music and Comedy Events 2021

Dates	Band
May 17-19	The Fisherman's Friends
May 21-22	Scott Matthews
May 28	Show of Hands
June 4	Ruth Wall and Graham Fitkin
June 11	Simon Latache Quartet
June 18	Femmes de la Mer
July 2	Land of the Giants
July 16	Mark Harrison
July 23	Bookends: Simon & Garfunkel Tribute
August 6	Adam Kay: This Is Going to Hurt
August 13	Will Keating & Friends
August 27	Praying for the Rain
Sept 3	The Fisherman's Friends
Sept 5	Songs Under the Stars: Minack Musical Theatre Academy with Alistair Brammer and Nicola Espallardo
Sept 10	Three Daft Monkeys
Sept 17	Seth Lakeman
Oct 1	Scott Matthews
Oct 2-5	Proms at the Minack
Oct 8	The People's String Foundation
Dec 12	Pendeen Silver Band Christmas Concert

