

**BLACKWOOD ARTS CENTRE**

**(Also known as Blackwood Miners' Institute)**

**Report and Financial Statements**

**Year ending 31 March 2024**

**Charity Number 1000905**

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

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## **CHARITY AND ADMINISTRATIVE INFORMATION**

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**Name of Charity** **Blackwood Arts Centre**

Working Name Blackwood Miners' Institute

Charity Registration Number 1000905

Registered Office  
And Business Address  
Blackwood Miners' Institute  
High Street  
Blackwood  
NP12 1BB

Trustee  
Caerphilly County Borough Council  
Penallta House  
Tredomen Park  
Ystrad Mynach  
Hengoed  
CF82 7PG

Theatre Manager Eloise Tong

Auditors Auditor General for Wales

# **STATEMENT OF TRUSTEE RESPONSIBILITIES FOR THE YEAR ENDING 31 MARCH 2024**

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## **Introduction**

### **Governance and Management**

Caerphilly County Borough Council ('the Council') is the sole corporate trustee for the charity ('the Charity'). Implementation of the organisation's aims and objectives and the day-to-day operations is undertaken by the Theatre and Arts Service Manager (employee), and the team which is overseen by the Head of Regeneration and Planning. Caerphilly utilises the greater London Provincial Job Evaluation process and uses the nationally negotiated pay spine referred to as the National Joint Council for Local Government Services to determine the pay and remuneration of the charity's key management personnel.

Blackwood Miners' Institute appointed an independent Advisory Group in October 2022 who have skills and expertise in:

- Welsh language (including Welsh learners)
- The arts and an understanding of the arts sector in Wales
- Working with under-represented communities and/or community-based projects
- Inclusion and accessibility
- The climate emergency and/or reducing environmental impact
- Fundraising and income generation
- Financial management
- Business development and growth
- Marketing and sales

The Advisory Group feed into all aspects of Blackwood Miners' Institute's programme, operations, and business dealings. They hold no legal position within the governance of Blackwood Miners' Institute but act in an advisory capacity. The Advisory Group will support the charity to become more sustainable and have a positive impact on our operations and commercial performance.

## **Our Purpose and Activities**

Blackwood Arts Centre, also known as Blackwood Miners' Institute, formerly a miners' welfare institute paid for by the salaries of local miners, was refurbished as a community arts and entertainment venue in the early 1990's thanks to funding from the then Welsh Office and Islwyn Borough Council. Today, Blackwood Miners' Institute is one of the most vibrant arts venues in South Wales. We create and present high quality professional and community arts for a diverse range of audiences and participants.

We want everyone to have access to arts and culture regardless of their circumstances and we work hard to create a balanced and affordable programme designed to inspire, educate, and entertain.

We host a variety of events and participatory activities spanning drama, dance, family shows, live music, opera, comedy and entertainment, ensuring there's something for everyone. The purposes of the charity are set out in the building's binding objects in the charitable trust deed (October 1990). These are to:

- Promote, improve, develop, maintain and advance public awareness and participation in, and encourage an appreciation of the art and science of, music, dance, drama, literature and the visual arts.
- Promote, through appropriate activities, the education and training, mental and spiritual capacities of people who are unemployed, young people and pre-school children.
- Educate the public in the geography, history and architecture of the area and sets out the Institute's responsibility in safeguarding against drug and alcohol abuse.

Our current mission is:

To deliver exceptional arts and culture that entertains, educates, and enriches lives inspired by and in collaboration with the people of Blackwood and Caerphilly County Borough.

To promote positive health and wellbeing through pioneering participatory activities that are accessible to all.

## **Vision**

Providing inspiration and extraordinary experiences for our audiences.

## **Values**

- Bringing the community together, being open and inclusive to all
- Maintaining positive relationships and working collaboratively
- Inspiring creativity, freedom of expression and passion

## **Our current aims are:**

- To provide high quality, accessible arts and entertainment for the people of Blackwood and Caerphilly County Borough.
- To improve the mental and physical health of our local community by delivering arts projects that address the key challenges people are facing with a specific focus on those who have a low level of engagement with arts and culture.
- To promote the Welsh language and support the development of Welsh language performances and arts projects.
- To minimise our environmental impact and advocate for a zero-carbon arts industry in Wales.
- To nurture talent, support the development of new work and champion artists/companies from South Wales on a national level.
- To become a more ethical and resilient organisation who can respond positively to change.

## **The strategies employed to achieve the charity's aims include:**

- Presenting and producing a range of arts and entertainment events including drama, dance, comedy, and live music.
- Programming a balance of professional and amateur events; populist and commercial work which underpins the viability of the theatre and a cultural programme which is supported by external grant funding from Arts Council Wales and others.
- Delivering a wide range of community participation opportunities, with a particular focus on children and young people, to provide opportunities for them to take part in the creative activity of their choice.

## **Public Benefit**

In shaping our aims and planning our activities for the year, we considered the Charity Commission's guidance on public benefit, including guidance on public benefit and charging fees. The Objects of the charity define the area of benefit as the inhabitants of the District of Islwyn and the surrounding districts (now Caerphilly County Borough).

The theatre relies on subsidy from Caerphilly County Borough Council and the income from ticket sales and admission charges to cover its operating costs. In setting our ticket prices and other fees, we strive to ensure Blackwood Miners' Institute remains accessible

to those on low incomes. We recognise that local and regional engagement with the arts is low; and the region has higher than average levels of deprivation. Our programme is carefully considered to ensure that everything is programmed with our local community and audiences in mind.

## **Financial Review**

We continue to work hard to sustain and where possible increase our income generation especially during rising budget pressures. Caerphilly County Borough Council continues to support the Blackwood Arts Service with costs that includes covering any operating deficit in BMI's accounts, the operating deficit for 2023/24 financial year was £486,881.71. No overspend or underspend is carried over from 2023/24.

It was our eighth year as part of the Arts Council of Wales ('ACW') revenue funded portfolio. We received a grant of £157,660 that contributed to subsidising the artistic programme, funding our touring and co-productions, and assisting with the additional marketing and technical support that is required for our increased activity. With ACW approval, £26,360 (included above) was carried over from 2022/23 to support co-productions and commissions.

Blackwood Miners' Institute has several rooms that are available to hire to commercial clients as well as community groups. In 2022-23 room hire contributed £15,662.74, in 2023-24 increased to £28,473.82. This is testament to the work carried out by the venue to increase revenue and capacity post lockdowns.

## **Achievements and Future Projections**

Since reopening in 2022 the team have worked to encourage audiences back to the theatre and have seen extremely encouraging audience numbers attending performances at the venue. In 2023/24 the venue saw a 64% increase in gross income from shows and concerts both in that financial year and the following financial year, this is very encouraging that audiences are beginning to book further and further in advance of performance. This increase is a combination of the quality of programming at the venue and the varied marketing activities taking place.

Future projections show that the venue is on track to reduce the subsidy by 30%. This is in part due to the increase in audience numbers at the venue and the small increases in pricing and fees and cost saving activities implemented by the team at Blackwood Miners' Institute. Further activities are planned for 2024/25 which will see larger reductions coming through in 2025/26.

Audience numbers for 2023/24 were 37,274 and projected audience numbers for 2024/25 are set at 40,000, the highest number in recent years.

## **Reserves Policy**

In 2023-24, Blackwood Arts Centre (Blackwood Miners Institute) did not have a reserves policy, as any operational deficit is covered by the subsidy from Caerphilly County Borough.

## **Our Pricing Policy**

In setting our pricing policy we attempt to promote the arts in a positive and accessible way and ensure equality of provision by providing a diverse range of arts activity for a wide range of audiences and participants. We aim to keep ticket prices as low as possible to ensure that everybody has easy access to arts and culture. This is balanced against the need to maximise income to ensure the charity's viability, where earned income makes up approximately 45% of the charity's turnover.

We offer concession prices on most of our live performances. Concessions are offered to the following:

- Senior Citizens
- Registered Unemployed
- Children
- Students
- School Children
- Disabled People (with their Companions or Personal Assistants attending for free if required, under the Hynt Scheme)

Family discounts are also offered on some of our family productions.

We also offer workshop / ticket offers with any outreach work associated with incoming productions, so that young people attending a workshop receive a ticket for the performance, as an incentive to attend the theatre, thus breaking down barriers associated with theatre going.

## **Risk management**

The Charity has reviewed the major risks to the organisation and has systems and procedures in place to manage these risks. The charity analyses, manages and monitors risk in the following ways:

1. Identify risk
2. Assess what impact risk would have on activity, outcome or objective
3. Score the risk according to likelihood and severity
4. Identify controls that need to be in place to avoid or minimise impact

5. Quarterly review of risk, assessing progress made and revising score if necessary

## **Trustee responsibilities**

The charity's trustee is responsible for preparing a trustee's annual report and financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland.

Charity law requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustee is 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 UK 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 business.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

### **On behalf of the Trustee**



### **Leader of the Council**

**21 January 2026**

## **The independent auditor's report of the Auditor General for Wales to the trustee of Blackwood Arts Centre Charity**

### **Opinion on financial statements**

I was appointed to audit the financial statements of Blackwood Arts Centre Charity for the year ended 31 March 2024 under the Charities Act 2011.

The financial statements comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and related notes, including the material 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).

I do not express an opinion on the financial statements of the Charity. Because of the significance of the matters described in the 'Basis for Disclaimer of Opinions' section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### **Basis for Disclaimer of Opinions**

There are three reasons why I am not expressing an opinion on the Blackwood Art Centre Charity's 2023-24 financial statements:

#### **The lack of a specific bank account and financial ledger**

The Blackwood Arts Centre Charity does not have its own bank account and financial ledger, instead having a shared use of Caerphilly County Borough Council's ledger and bank account. This arrangement results in the Blackwood Arts Centre Charity being unable to produce and disclose its 'cash and cash equivalent' transactions and balances within the 2023-24 accounts, primarily being unable to do so in the Statement of Cash Flows and the Balance Sheet. I previously reported this issue on the Charity's 2020-21, 2021-22 and 2022-23 accounts, where I raised a 'matter of concern' within my Independent Examiner's Statement for each of those three prior financial years.

#### **The lack of a fixed asset register and financial-ledger transactions, movements, and balances**

The Blackwood Arts Centre Charity has many items of equipment that enable the Theatre to operate. However, the Blackwood Arts Centre Charity does not have a fixed-asset-register to record, control, and financially report on its assets. The lack of financial information for fixed assets means that within the 2023-24 accounts there are no fixed asset disclosures, such as for year-end balances, and in-year movements and transactions; including for any acquisitions and disposals. The lack of such disclosures primarily affects the Balance Sheet; and the Statement of Financial Activities for movements, such as for annual depreciation, and any valuations and impairments.

#### **The high rate of error in the accounting for income**

For two separate reasons I have been unable to obtain sufficient appropriate evidence for the Blackwood Art Centre Charity's income, regarding the arts and theatre income and the subsidy provided by Caerphilly County Borough Council.

My substantive testing of the arts and theatre income identified processing errors with the daily income reconciliations for monetary collections and deposits. I found many processing errors of this nature, and despite my completion of extended testing I was unable to gain sufficient appropriate evidence to conclude that the income disclosures are materially true and fair.

The lack of fixed asset records, described above, means that any annual increases and/or decreases in expenditure or income that would arise, if a fixed asset register had been in place, are unknown due to the lack of records. Therefore, the level of subsidy receivable from Caerphilly County Borough Council is not accurately quantifiable for the purpose of the accounts.

### **Responsibilities of the trustee for the financial statements**

As explained more fully in the statement of trustee responsibilities, the trustee is responsible for:

- maintaining sufficient accounting records;
- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the trustee determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee anticipates that the services provided by the charity will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

I have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to conduct an audit of the Charity's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

My staff and I are independent of the 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Other auditor's responsibilities**

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Adrian Crompton  
The Auditor General for Wales  
23 January 2026

1 Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ

## STATEMENT OF ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2024

### **BLACKWOOD ARTS CENTRE**

#### **STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDING 31 MARCH 2024**

		<b>Total Funds</b>	<b>Total Funds</b>
		<b>2022-23</b>	<b>2023-24</b>
		<b>£</b>	<b>£</b>
<b><u>Incoming Resources</u></b>			
Activities for generating funds	A1	56,093.23	<b>84,079.44</b>
Operation of theatre and arts centre	B2	874,590.80	<b>1,084,003.17</b>
Donations	B2	637.15	<b>1,567.13</b>
<b>TOTAL INCOMING RESOURCES</b>		<b><u>931,321.18</u></b>	<b><u>1,169,649.74</u></b>
<b><u>Resources expended</u></b>			
Activities for generating funds	A2	59,029.47	<b>69,516.02</b>
Operation of theatre and arts centre	C3	858,950.74	<b>1,033,967.04</b>
Governance costs	D4	13,340.97	<b>66,166.68</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b><u>931,321.18</u></b>	<b><u>1,169,649.74</u></b>
<b>NET MOVEMENTS IN YEAR</b>		0.00	0.00

<b>BLACKWOOD ARTS CENTRE</b> <b>CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024</b>		<b>Restated</b>	
		<b>2022-23</b>	<b>2023-24</b>
		<b>£</b>	<b>£</b>
<i>FIXED ASSETS</i>			
Tangible assets		0.00	<b>0.00</b>
<i>CURRENT ASSETS</i>			
Stock	H	5,469.53	<b>6,569.27</b>
Debtors	J	0.00	<b>0.00</b>
ACW prog grant			
Income	J	<u>7,438.31</u>	<b>5,575.56</b>
Total Current Assets		12,907.84	<b>12,144.83</b>
<i>LIABILITIES</i>			
Creditors falling due within one year	K	(85,764.93)	<b>(155,266.62)</b>
<i>NET CURRENT ASSETS</i>			
		(72,857.09)	<b>(143,121.79)</b>
<i>TOTAL ASSETS LESS CURRENT LIABILITIES</i>			
		(72,857.09)	<b>(143,121.79)</b>
<i>CREDITORS FALLING DUE AFTER 1 YEAR</i>			
		0.00	<b>0.00</b>
<b>NET ASSETS</b>		<b>(72,857.09)</b>	<b>(143,121.79)</b>

#### **FUNDS OF THE CHARITY**

Unrestricted funds			
Designated stocks		5,469.53	<b>6,569.27</b>
General fund		(78,326.62)	<b>(149,691.06)</b>
<b>TOTAL CHARITY FUNDS</b>		<b>(72,857.09)</b>	<b>(143,121.79)</b>

*Signature:*

*Date:*

Cabinet, on behalf of The Trustee

**BLACKWOOD ARTS CENTRE****Statement of Cash Flows**

	<b>2022-23</b>	<b>2023-24</b>
	<b>£</b>	<b>£</b>
Net Cash Provided by Operating Activities	0	0
Net Cash Provided by Investing Activities	0	0
Net Cash Provided by Financing Activities	0	0
Change in Cash and Cash Equivalents in the reporting period	0	0
Cash and Cash equivalents at the beginning of the reporting period	0	0
<b>Cash and Cash equivalents at the end of the reporting period</b>	<b>0</b>	<b>0</b>

## **BLACKWOOD ARTS CENTRE**

### **A. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS**

The Bar and Vending activities are only operable when charitable activities are taking place in Blackwood Arts Centre

<b><u>SUMMARY TRADING ACCOUNTS</u></b>			<b>2022-23</b>	<b>2023-24</b>
			<b>£</b>	<b>£</b>
<b>Turnover</b>	Bar	1	40,206.27	<b>64,012.13</b>
<b>Cost of sales</b>	Bar	2	(47,727.51)	<b>(55,382.81)</b>
<b>Net Profit</b>	Bar		<u>(7,521.24)</u>	<u><b>8,629.32</b></u>
<b>Turnover</b>	Vending	1	15,886.96	<b>20,067.31</b>
<b>Cost of sales</b>	Vending	2	(11,301.96)	<b>(14,133.21)</b>
<b>Net Profit</b>	Vending		<u>4,585.00</u>	<u><b>5,934.10</b></u>
<b>Total funds generated for charity</b>			<u>(2,936.24)</u>	<u><b>14,563.42</b></u>
<b>Current assets (Stock)</b>	Bar	3	4,919.20	<b>5,349.73</b>
	Vending	3	550.33	<b>1,219.54</b>
			<u>5,469.53</u>	<u><b>6,569.27</b></u>

### **B. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

		<b>£</b>	<b>£</b>
<b>Gross Income</b>	Shows, Concerts	318,362.34	<b>446,111.97</b>
	Workshops	1,507.00	<b>1,385.75</b>
	Room Hires	<u>15,662.74</u>	<u><b>(7,809.13)</b></u>
<i>Subtotal: Admission charges and programmes</i>		<u>335,532.08</u>	<u><b>439,688.59</b></u>
Programme Support grant, Arts Council		199,500.85	<b>157,660.00</b>
Donations unrestricted income		637.15	<b>1,567.13</b>
Subsidy from Local Authority		<u>339,557.87</u>	<u><b>486,654.58</b></u>
		<u>539,695.87</u>	<u><b>645,881.71</b></u>
<b>Total income from Charitable Activities</b>	2	875,227.95	<b>1,085,570.30</b>

*Room hire increased in 2023-24 to £28,47.82, but the detailed analysis above shows other lines of income, resulting in an overall debit figure of £7,809.13*

**C. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

		<b>2022-23</b>	<b>2023-24</b>
		Performances & Education	Performances & Education
		£	£
	Artistes fees	Performances	337,108.63
	Production expenses	Performances	114,022.35
	Workshops	Education	5,877.75
	Box Office & Front of House	Performances	56,869.58
	Promotion and marketing	Performances	96,065.56
	Central premises costs	Performances	100,612.45
	Support Costs	Performances	148,394.42
3			<b>177,574.49</b>
		<b>858,950.74</b>	<b>1,033,967.04</b>

**D. ANALYSIS OF GOVERNANCE & SUPPORT COSTS**

		<b>£</b>	<b>£</b>
	Manager Operations	41,063.87	<b>44,666.72</b>
	Manager Governance	4	10,265.97
	Deputy Manager	28,300.30	<b>39,622.57</b>
	Duty Managers	41,941.87	<b>53,663.14</b>
	Admin Officer	31,743.96	<b>36,576.35</b>
	Travel&Training	5,344.42	<b>3,045.71</b>
	Audit Fee	4	3,075.00
		<b>161,735.39</b>	<b>243,741.17</b>

**E. RELATED PARTY TRANSACTIONS**

	<b>£</b>	<b>£</b>
Caerphilly County Borough Council	339,557.87	<b>486,654.58</b>
	<b>339,557.87</b>	<b>486,654.58</b>

All the above funding was received to enable the charity to carry out its charitable objectives and have been included in the financial statements under "incoming resources from charitable activities".

<b>F. ANALYSIS OF STAFF COSTS</b>	2022-23	2023-24
	£	£
Salaries & wages	283,156.04	354,549.68
Social Security costs	25,085.24	30,394.14
Pension costs	56,975.55	71,134.01
	<hr/>	<hr/>
	365,216.83	456,077.83

During the year, no employees received emoluments greater than £60,000.

#### **G. STAFF NUMBERS**

Average number of full time equivalent employees, including part-time staff, as at 31 March 2024. In addition, there were casual staff employed as ushers and bar staff ONLY when the centre has concerts and performances.

	2022-23	2023-24
	No.	No.
Concerts & stage performances	7.88	7.88
Governance	0.20	0.20
	<hr/>	<hr/>
	8.08	8.08

#### **H. STOCKS**

<b>Current assets (Stock)</b>	2022-23	2023-24
	£	£
Bar	4,919.20	5,349.73
Vending	550.33	1,219.54
	<hr/>	<hr/>
	5,469.53	6,569.27

#### **I. CASH AND CASH EQUIVALENTS**

The Arts Centre accounts are hosted by the Council and the Centre uses the Council's bank account to manage its daily cashflows. The Council fully subsidises the Charity by funding any cash deficit arising from its annual operating activities.

As the Charity is fully integrated into the Council's financial systems and uses the Council's bank account for daily cash flows, it isn't currently possible to separate out the cash position from the Council's. The Cash and Cash Equivalents figures in the Art Centre balance sheet, and the transactional balances in the Statement of Cash and Cash Equivalents, have therefore been reported as zero for the current and preceding financial year.

It is the intention to review the position in the current financial year and separate the Charity's management accounts from those of the Council to provide full disclosure of the Charity cashflows.

<b>Statement of Cash Flows</b>	<b>2022-23</b>	<b>2023-24</b>
	<b>£</b>	<b>£</b>
Net Cash Provided by Operating Activities	0.00	<b>0.00</b>
Net Cash Provided by Investing Activities	0.00	<b>0.00</b>
Net Cash Provided by Financing Activities	0.00	<b>0.00</b>
Change in Cash and Cash Equivalents in the reporting period	<b>0.00</b>	<b>0.00</b>
Cash and Cash equivalents at the beginning of the reporting period	0.00	<b>0.00</b>
	<b>0.00</b>	<b>0.00</b>

<b>J. DEBTORS</b>	<b>2022-23</b>	<b>2023-24</b>
	<b>£</b>	<b>£</b>
Arts Council programme grant, final payment		
Other debtors	7,438.31	<b>5,575.56</b>
	<b>7,438.31</b>	<b>5,575.56</b>

**K. CREDITOR AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£	£
Salary arrears	(4,281.47)	<b>(7,965.68)</b>
Receipts in advance	(57,932.69)	<b>(79,309.93)</b>
PAT Testing	0.00	0.00
Building Maintenance	0.00	0.00
Water bill	(500.00)	0.00
Gas Bill	(1,099.44)	<b>(2,835.71)</b>
Electric Bill	(1,386.08)	<b>(3,961.52)</b>
Postage	(98.00)	<b>(64.00)</b>
Audit Fee	(3,075.00)	<b>(55,000.00)</b>
Artistes Fees	(2,025.89)	<b>(4,942.59)</b>
Other Creditors	<u>(15,366.36)</u>	<u><b>(1,187.19)</b></u>
	<u><b>(85,764.93)</b></u>	<u><b>(155,266.62)</b></u>

## L. PRIOR YEAR ADJUSTMENT

	Freehold land & buildings		Restated - Freehold land & buildings		Restated - Freehold land & buildings	
	2022-23		2022-23		2023-24	
	£	£	£	£	£	£
Balance b/f 1 April	2,964,505.64	(2,964,505.64)	0.00	2,854,067.90	(2,854,067.90)	0.00
Depreciation	(118,937.74)	118,937.74	0.00	(119,307.30)	119,307.30	0.00
Net Revaluation	8,500.00	(8,500.00)	0.00	52,229.23	(52,229.23)	0.00
Balance c/f 31 March	<b>2,854,067.90</b>	<b>(2,854,067.90)</b>	<b>0.00</b>	<b>2,786,989.83</b>	<b>(2,786,989.83)</b>	<b>0.00</b>

## M. ACCOUNTING POLICIES APPLIED TO THESE ACCOUNTS

The accounts for Blackwood Arts Centre are drawn up under the accounting policies of Caerphilly County Borough Council.

i. All incoming resources are accounted for when the charity has entitlement to the funds, certainty of receipt, and the amount is measurable.

Where income is received in advance for a performance or other specified service it is deferred until the charity is entitled to that income (Receipts in advance at year end)

ii. All resources expended are recognised once there is a legal or constructive obligation to make a payment to a third party.

Cost of generating funds comprise the cost of trading for the bar and vending.

Charitable activities include the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity.

Governance costs represent those costs of the strategic management of the charity and of complying with constitutional and statutory requirements, this includes the independent examination fee.

iii. Support costs are those costs which have not been directly allocated to an activity of the charity but nevertheless support those activities, these costs have been allocated between charitable activities and governance costs as per note D.

iv. Stock is included at the lower of cost and net realisable value.

v. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and

Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

vi. The trustees of the Charity have not received any expenses during the year.

#### **vii. Debtors and Creditors**

*Debtors:*

Debtors, including trade debtors and loans receivable, are measured at their recoverable amount. This is the amount the charity anticipates receiving from the debt or the amount it has paid in advance for goods or services.

*Creditors:*

Creditors, including trade creditors and loans payable, are measured at their settlement amount after any trade discounts (where normal credit terms apply) or the amount advanced to the Charity. Amounts which are owed in more than one year are disclosed as long-term creditors.

#### **viii. Changes in Estimation Technique and Prior Year Adjustments**

The Financial Accounts may contain estimated figures that are based on assumptions made by the Trustees about the future or that are otherwise uncertain. Estimates are made after taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2024 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if actual results differ from assumptions
Fair value measurements	When the fair values of financial assets and liabilities cannot be measured based on quoted prices in active markets (i.e., Level 1 inputs), their fair value is measured using valuation techniques (e.g. quoted prices for similar assets or liabilities in active markets or the discounted cash flow (DCF) model). Where possible, inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values.  Judgements may include considerations such as uncertainty and risk. However, changes in the assumptions used could affect the fair value of the assets and liabilities. Where Level 1 inputs are not available, the Council employs relevant	The Charity uses the discounted cash flow (DCF) model to value financial assets and liabilities. The significant unobservable inputs used in the fair value measurement include management assumptions regarding discount rates.  Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the financial assets/liabilities.

	experts to identify the most appropriate valuation techniques to determine fair value.	
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#### **ix. Related Parties**

The Charity is required to disclose material transactions with related parties – bodies or individuals that can potentially control or influence The Institute. Disclosure of these transactions allows readers to assess the extent to which the Institute might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to transact freely with the Institute.

#### **x. Going Concern**

The financial statements are prepared on the assumption that that Charity is a going concern and will continue its operations for the foreseeable future. The Council is the sole corporate trustee for the charity. The Council continues to support the Blackwood Arts Service with costs that includes covering any operating deficit in BMI's accounts.

#### **xi. Income recognition**

The Institute departs from FRS102 for income recognition. All incoming resources are accounted for when the charity has entitlement to the funds, certainty of receipt, and the amount is measurable. Where income is received in advance for a performance or other specified service it is deferred until the charity is entitled to that income (Receipts in advance at year end).

Leanne Sykes



**Director of Financial Services and Section 151 Officer**

**On behalf of the Trustee**

**21 January 2026**