

REGISTERED COMPANY NUMBER: 08803625 (England and Wales)
REGISTERED CHARITY NUMBER: 1156762

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
TOWNER

Xynamo 5 Ltd
Chartered Accountants
Registered Auditor
2 Upperton Gardens
Eastbourne
East Sussex
BN21 2AH

TOWNER

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives

Founded as an art gallery for the people, Towner presents world class exhibitions of national and international significance and works from our acclaimed collection. We work in collaboration with individuals, communities and organisations, especially those with least access to the arts, to ensure that we are relevant to all our audiences. An innovative cultural social asset for Eastbourne and the South east., Towner brings the most exciting developments in modern and contemporary art to local, national and international audiences, develops and supports artistic practice, and provides a place for experimenting, creating and talking about art and culture.

Towner has been established for public benefit to fulfil the following charitable objectives:

To advance the education, enjoyment and appreciation of the public at large of the arts by the establishment and/or maintenance of an art gallery

To advance the education, enjoyment and appreciation of the public at large of the arts by the maintenance of Towner in Eastbourne

To advance the education, enjoyment and appreciation of the public at large of the arts through Towner's art collection

To pursue such other charitable purposes analogous to any of the objects as the Trustees in their absolute discretion shall determine.

Overview of activities

The financial year 2020/21 represented an historic moment in Towner's development as a major regional gallery despite the unprecedented circumstances presented by the Covid-19 pandemic. We were delighted to be awarded Art Fund Museum of the Year 2020 and commended for our *'genuine commitment to promoting underrepresented artists in its programme, and its newly cemented status as an invaluable asset to Eastbourne'*. Although we were unable to fully capitalise on this huge achievement due to ongoing restrictions, the award continues to be a major asset to Towner, raising our profile nationally and attracting new audiences and funders.

'Congratulations to Towner Eastbourne for being named Museum of the Year 2020. The award recognises the strength and ambition of the gallery's programme as it approaches its centenary year in 2023. Towner's new vision - focusing on their role as a community hub, while also presenting world-class art to a very broad audience - gives the gallery an outstanding position in Arts Council England's National Portfolio. I have been watching Towner with interest for many years and am delighted to see the organisation continue to grow and develop even through this difficult and challenging period.' Nicholas Serota, Chair of Arts Council England

'Congratulations to Towner Eastbourne. Under the leadership of Joe Hill, the institution has had a resurgence which has positively impacted the wider community and the town's cultural economy. Towner is the cultural beating heart of Eastbourne and is also an important driver of tourism for the local economy, bringing visitors from Sussex and much further afield to the town. I look forward to continuing to see Towner's development as it reaches its centenary year.' Councillor David Tutt

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

The lockdowns prompted by Government restrictions in response to the Covid-19 pandemic kept the gallery closed from 17 March 2020 to 22 July 2020, again from 5 November 2020 to 2 December 2020 and from 24 December 2020 to 17 May 2021. Our financial viability during this difficult period was supported by the Coronavirus Job Retention Scheme (CJRS) enabling full or partial furlough of up to 39 staff during the periods of lockdown. Expenditure across all business areas was minimised where possible, with staff furloughed for as long as possible beyond a core staff of the executive and programme team, with other staff involved in income generation returning to work part time during the second lockdown. All building maintenance contracts were suspended during lockdown, with all non-essential work paused. During closure energy consumption reduced by 35%, highlighting reduction interventions as a priority to improve organisational and environmental sustainability.

We raised £500k through donations and grants, some of which was pledged during 2019 for the major John Nash retrospective exhibition, and from appeals and grants for emergency community support and to develop new digital programme through podcasting production and staff training. Awards from the Cultural Recovery Fund (CRF) in rounds 1 and 2 replaced lost commercial income from ticket sales, café, shop and venue hire income. This was supplemented by grants from BFI/Film Hub SE and the Government's Covid Business Support Grants. Several regular funders helpfully gave permission for unrestricted spend of previously restricted grants.

We reached our goal to raise £1m for the capital refurbishment of the ground floor. The planned redevelopment in winter 2020 of the gallery's ground floor was postponed due to the interruption in fundraising at the start of the pandemic when key funders diverted attention to providing emergency Covid support to arts organisations. The emergency Arts Council England (ACE) Capital Kickstarter awarded £341k supplementing ACE's existing commitment of £499,999 with Wolfson Foundation, Foyle Foundation, Duke of Devonshire Charitable Foundation, and John Jackson Charitable Trust supporting the project. The project now planned for winter 2021 will improve the visitor experience and the venue hire offer and will create better spaces for increased engagement and exhibition programme, commissions and artist opportunities. 2020/21 was the best year ever for online shop sales with a 400% increase to £17,094.

Internal culture and workforce

In June 2020 we announced our Anti-Racism pledge and action plan in response to Black Lives Matter and followed this up with a public progress update in December 2020. A new Diversity Task Group (DTG) was created in summer 2020, chaired by trustee Jenny Williams (Founding Director of Take the Space, a creative production hub for Black and multi-ethnic talent), to strengthen, support and challenge from within this focus on race and ethnicity, especially at board level, and deliver priorities around internal culture, our activities and taking a leadership role locally in the journey towards making Eastbourne and Sussex inclusive and welcoming for everybody to live in, work and visit. We also reviewed our values to check they encompassed our commitments around race and ethnicity which we felt they did.

The DTG Membership, currently two trustees and the senior management team, will be widened to other staff and volunteers during 2021. We are pro-actively delivering on our Anti-Racism commitments, with improvements made and ongoing around recruitment, staff induction and retention processes, and delivering unconscious bias training to all trustees, staff and volunteers in summer 2021. We also made a commitment to hold a public forum examining the impact of racism on the town's residents. We feel strongly that this should take place in person, rather than on a digital platform, and therefore will host this event as soon as it is safe to do so in 2021/22. As a 97% white town, we recognise the challenges in creating a significant step-change in the ethnic diversity of our workforce and audiences, but we have made a choice to

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

reflect, listen to, power share and present work from under-represented voices, particularly ethnic minority, disabled and neurodiverse groups and those from lower socio-economic backgrounds to ensure we are reflective of all our communities.

We began the restructure of our curatorial and FOH teams to create a more efficient staffing structure and be better equipped for changing operational needs in light of the new ground floor spaces, with increased priority on enterprises and extended public programme. 4 new team members joined the Learning, Marketing and Development teams bringing the workforce to 46 staff and a team of 40 volunteers.

Other key achievements towards our strategic aims in 20/21 included the roll-out of a new brand identity, a significant increase in digital output which has helped increase digital audiences by almost 20% to 44,000. The Marketing team also began work on the long overdue website redevelopment, a key goal towards organisational sustainability. The Learning and Engagement Team focused on building new partnerships with community partners in preparation for delivering a new strategy.

We are continuing to work with our key funder Eastbourne Borough Council and other regional partners developing our leadership role supporting the creation and delivery of major strategic initiatives to deliver sustainable and inclusive economic growth to Eastbourne and the region. Joe Hill continues to be Co-Chair the South East Creative Economy Network. As part of this responsibility, he Chairs the Creative Workspace Masterplan project and is leading on the development of the new SECEN Prospectus. This role has been critical in positioning Towner within the region's ecology and having influence on strategy direction and SELEP sector support funding.

Programme: Exhibitions

During the year, we welcomed 25,090 socially distanced visitors during the four months of the year we were open. We showed 5 exhibitions, acquired 3 new works for the collection and received 2 bequests of works. We ran 130 events, 44 in person and 86 online. The exhibition programme had to be reconfigured several times during the year responding to the changing lockdown situation, but we were fortunate in being able to reschedule all planned exhibitions albeit some runs were shortened. The England's Creative Coast project however was postponed. Its *Waterfronts* commissions of artworks in the landscape delivered by seven cultural partner institutions on the south coast, including Towner, was delayed until summer 2021.

The major retrospective *John Nash: the Landscape of Love and Solace*, the annual ticketed show, was rescheduled from summer 2020 to summer 2021, to be shown alongside the new acquisition of John Akomfrah's seminal moving image film *Vertigo Sea*. It was crucial for the Nash exhibition to run uninterrupted given the significant investment of budget and audience appeal to generate ticket income. Exhibitions already open at the start of the first lockdown, *Alan Davie and David Hockney: Early Works*, *Lawrence Abu Hamdan This whole time there were no landmines* and *BRINK: Caroline Lucas curates the Towner Collection* were extended until September 2020. Unfortunately, *Art, Life and Us: Christine Binnie, Jennifer Binnie and the Towner Collection* which opened on 19 September only ran till 24 December rather than originally planned run till May 2021.

Towner International, the inaugural biennial of contemporary artists work supported by the £10,000 Brewers Award, opened on 6 October 2020 but closed on 21 January 2021, earlier than the planned 21 April 2021. Despite the disappointment of foreshortening this strategically important project, it still attracted 10,000 visitors demonstrating strong demand from regional audiences for contemporary work. In August 2020, we announced a collaboration with the University of Sussex offering a CHASE-funded PhD studentship to research gender imbalance in UK regional gallery collections, using Towner's collection to undertake a critical analysis and illuminate the critical roles women have played in the museums collecting and exhibition history. The PhD scholar will bring attention to the important legacy of donor support from women, such as the 50 works collector and gallery risk Lucy Wertheim donated to the museum in 1971.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

This research supports our commitment to acquire 50% of new works for the collection from women artists. We successfully negotiated the extension of the Lothar Götz much-loved commission on the gallery exterior *Dance Diagonal* until 2024 which will span Towner's centenary in 2023. The public response has been very positive.

Programme: Learning

As an immediate reaction to the first lockdown, we delivered creative kit bags and art materials to families through Eastbourne Food Bank, Imago Young Carers and other partners. Following that, we worked with over a dozen charities and community organisations who have direct contact with groups, families and individuals, including those most vulnerable, delivering in total 3000 artist commissioned kit bags to 540 households. *'Families whose children would normally receive free school meals received Towner's activity packs in their food parcels which meant 54 children had help with their home schooling. A further 49 children received the packs via The Cabin's art and youth clubs. I am passing on everyone's appreciation and thanks, they brought a smile in these difficult times.'* Jill Murphy, Waves Family Worker (Seaford). We also hand delivered packs responding to urgent requests from some of the most vulnerable individuals who were either very ill or deprived, or those not able to be reached by partner organisations. During the first lockdown, artists Amy Leung and Rachel McGivern delivered 18 live online making workshops promoting creative making with everyday household objects to engage families stuck at home.

During summer 2020 and spring 2021, we partnered with South Downs National Park Authority to produce seasonally themed activity sheets using natural materials found in the landscape that were downloadable from our website with hard copies available in the gallery, encouraging families to enjoy the benefits of getting outdoors into nature.

Between lockdowns last summer, Towner International sound artist Rita Evans ran a gallery residency with family workshops and Christine and Jennifer Binnie welcomed over 1000 visitors to their gallery residency, which ran alongside their personally curated display of collection works and some new work. In partnership with De La Warr Pavilion, we programmed a series of four discussions with creative industries leaders and artists, *TALKING LOUD* including: Turner Prize winning artists Helen Cammock and Tai Shani, Jenny Williams MBE and Amanda Parker, artists Scottie and Le Gateau Chocolat, Michelle Ogundehin and Michael Wolff, with c. 200 attendees to each event.

The new learning and engagement strategy, *Making Together* - a 5-year public programme of participatory practice was launched in December 2020, focussing on creative process both inside and most importantly, outside the gallery. It reshapes our highly respected learning and engagement programme for the post Covid era, and centres its approach on building understanding, connection and long-term relationships with communities in a new and imaginative way through participants and artists making new work together. Our ambition is to ensure access to genuinely inclusive and relevant art and culture that has the power to change lives: raising aspirations, changing career directions and improving life outcomes. The strategy was written in the context of increasing inequity between Eastbourne communities, especially over the past year, and the cultural sector's recent reflection on its colonial cultural histories and behaviour. It also responds to the UN Special Rapporteur on extreme poverty and human rights, Philip Alston's report on the state of Britain and the need to prepare for an unknown future.

Despite the challenges of the pandemic, the disruption and the adjustments the organisation has had to make, the gallery is well placed to continue delivering its overall strategy spanning the centenary in 2023. A key feature of that being to strengthen Towner's position as a leading arts and cultural organisation on the south coast, that is genuinely inclusive and accessible to its local communities.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Financial position and reserves

Total reserves at the end of the year were £3,032,322 (2020: £2,503,756). The Trustees have set a reserves policy which is a product of strategic planning, budgeting and risk management. The policy requires that the charity's core activity, funded through the unrestricted reserve, could continue for six months during a period of unforeseen difficulty, which is in line with Charity Commission recommendations. The unrestricted free reserves (excluding fixed assets) which totalled £711,223 as at 31 March 2021 meet this requirement. Maintaining a six-month operating reserve will support the organisation in trading through potential adversity, taking in to account future commitments and the possibility of lack of financial investment from key public funders. The level of reserves will be monitored and reviewed by the Trustees on a regular basis.

Principal risks and uncertainties

Going Concern

The principle financial risks facing the charity and its trading subsidiary are considered as part of the overall approach to risk management, but include variation to visitor forecasts, changes to income from Eastbourne Borough Council and Arts Council England, unplanned expenditure and a challenging economic environment. The Trustees have reviewed the cash position of the charity and are satisfied that the charity will be able to meet all its financial commitments. The Trustees believe that the charity is well placed to manage its financial risks successfully and are confident that there are sufficient reserves for the operation to continue. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company, limited by guarantee, as defined by the Companies Act 2006. It is governed by its Memorandum and Articles of Association.

Recruitment and appointment of new trustees

The management of Towner is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The maximum number of Trustees was initially eleven but can be increased at the discretion of the Board. Of the total number of Trustees two are to be appointed by Eastbourne Borough Council. Trustees are required to retire by rotation whereby one third of the Trustees shall be required to retire each year but shall be eligible for reappointment. Trustees may be re-appointed by the Board at the end of each term of office.

Organisational structure

There are currently twelve Trustees who have delegated powers to the Executive Director and Senior Management Team to make expenditure decisions within the framework of the approved annual budget.

A Finance and Resources Sub-Committee has been established, consisting of five Trustees. This committee monitors income and expenditure and performance against the approved budget and reports back to the Board. They also approve and monitor Health and Safety policies and the Risk Register.

The day to day activities are controlled by Joe Hill, Executive Director, and the Senior Management Team who lead departments and report to the Executive Director.

Induction and training of new trustees

Trustees are recruited according to the Trustees' and Executive Director's ongoing assessment of the skills and experiences needed for the Board of an art gallery and museum. These include expertise in national and international arts and culture, fundraising, finance, HR and legal. Prospective new Trustees are recommended to the Chair and Executive Director, who assess the candidates and decide whether to proceed with the appointment.

The newly appointed Trustees received an induction from Towner's solicitor, advising them on their legal responsibilities. They were given thorough briefings by the Executive Director, Senior Management team and the Chairman.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08803625 (England and Wales)

Registered Charity number

1156762

Registered office

Towner Devonshire Park
College Road
Eastbourne
East Sussex
BN21 4JJ

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Ms H Bauer	Heritage Museums & Funding Adviser
Ms D V Casson	Designer
D Dimbleby	Broadcaster
G F H King	Publisher
Ms K Cadell	Presentation and Media Consultant
C F Mckenzie	Freelance Arts Consultant
M R Moorton	Human Resources Director
T J W Ashdown	Solicitor
C R Swansborough	Accountant
Dr F M Dennis	Senior Lecturer
J Williams	Arts Manager
J Jones	Artist and Lecturer

Director

Joe Hill

Auditors

Xynamo 5 Ltd
Chartered Accountants
Registered Auditor
2 Upperton Gardens
Eastbourne
East Sussex
BN21 2AH

COMMENCEMENT OF ACTIVITIES

Charitable Trust status was obtained on 1 July 2014, from which point the Trust commenced its charitable activities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

In so far as the trustees are aware:

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

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

AUDITORS

The auditors, Xynamo 5 Ltd, were reappointed at the Meeting of Trustees on 6 December 2021.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 6 December 2021 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'David Dimbleby', is written over a horizontal dotted line. A long, thin horizontal stroke extends from the end of the signature to the right.

D Dimbleby - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOWNER

Opinion

We have audited the financial statements of Towner (the 'charitable company') and its subsidiary for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOWNER

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TOWNER**

Use of our report

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

A Hill
Xynamo 5 Ltd

Andrew Hill FCA (Senior Statutory Auditor)
for and on behalf of Xynamo 5 Ltd
Chartered Accountants
Registered Auditor
2 Upperton Gardens
Eastbourne
East Sussex
BN21 2AH

Date: *12 December 2021*

TOWNER

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	333,504	270,789	604,293	497,127
Charitable activities					
Secured funding EBC		413,879	-	413,879	413,880
Secured funding Arts Council England		366,962	-	366,962	359,350
ACCNPF funding		-	-	-	60,000
Pathways funding		-	-	-	21,000
South East Cultural and Creative Digital Support (SECCADS) funding		-	6,706	6,706	10,610
Learning activities and funding	3	-	116,303	116,303	56,509
Exhibition & collection activities and exhibition funding	3	44,728	23,308	68,036	111,502
Memberships, Patrons and Director's circle		61,815	-	61,815	62,693
Art Fund Museum of the Year Prize		40,000	-	40,000	-
Museums & Galleries Exhibitions Tax Relief		43,778	-	43,778	-
Trading Activities					
Shop, café, cinema and venue hire	4	122,866	13,899	136,765	509,533
Other trading activities		5,761	-	5,761	4,463
Total		1,443,293	431,005	1,864,298	2,106,667
EXPENDITURE ON:					
	5				
Charitable activities					
Fundraising and supporters' costs		109,116	23,739	132,855	145,067
ACCNPF expenditure		-	-	-	31,035
South East Cultural and Creative Digital Support (SECCADS)		-	16,627	15,627	1,688
Learning activities		128,724	86,026	214,750	281,874
Exhibition & collection activities		448,998	124,858	573,856	717,861
Travel and subsistence		1,038	-	1,038	8,304
Trading Activities					
Shop, café, cinema and venue hire		285,923	90,949	376,872	659,382
Other trading activities		20,734	-	20,734	645
Total		994,533	341,199	1,335,732	1,845,676
NET INCOME					
Transfers between funds	17	(3,025)	3,025	-	-
Net movement in funds		435,555	93,011	528,566	260,991
Total funds brought forward		2,332,720	171,036	2,503,756	2,242,765
TOTAL FUNDS CARRIED FORWARD		2,768,275	264,047	3,032,322	2,503,756

The notes form part of these financial statements

TOWNER

**CONSOLIDATED BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Intangible assets	11	10,000	-	10,000	-
Tangible assets	12	552,440	70,226	622,666	605,946
Heritage assets	13	<u>1,494,612</u>	<u>-</u>	<u>1,494,612</u>	<u>1,386,612</u>
		2,057,052	70,226	2,127,278	1,992,558
CURRENT ASSETS					
Debtors	15	111,624	12,587	124,211	97,305
Stock		25,862	-	25,862	44,881
Cash at bank		<u>664,619</u>	<u>181,234</u>	<u>845,853</u>	<u>533,249</u>
		802,105	193,821	995,926	675,435
CREDITORS					
Amounts falling due within one year	16	(90,882)	-	(90,882)	(164,237)
NET CURRENT ASSETS					
		<u>711,223</u>	<u>193,821</u>	<u>905,044</u>	<u>511,198</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>2,768,275</u>	<u>264,047</u>	<u>3,032,322</u>	<u>2,503,756</u>
NET ASSETS					
		<u>2,768,275</u>	<u>264,047</u>	<u>3,032,322</u>	<u>2,503,756</u>
FUNDS					
Unrestricted funds	17			2,768,275	2,332,720
Restricted funds				<u>264,047</u>	<u>171,036</u>
TOTAL FUNDS					
				<u>3,032,322</u>	<u>2,503,756</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 6 December 2021 and were signed on its behalf by:


.....
D Dimbleby - Trustee

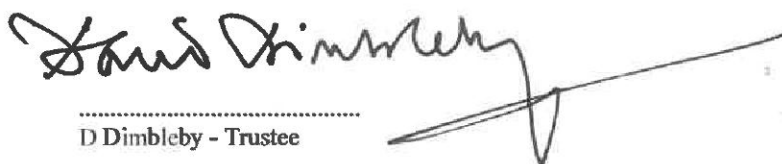
The notes form part of these financial statements

TOWNER

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Intangible assets	11	10,000	-	10,000	-
Tangible assets	12	552,440	70,226	622,666	605,946
Heritage assets	13	1,494,612	-	1,494,612	1,386,612
Investments	14	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		2,057,053	70,226	2,127,279	1,992,559
CURRENT ASSETS					
Debtors	15	556,091	12,585	568,676	486,281
Cash at bank		<u>309,278</u>	<u>181,234</u>	<u>490,512</u>	<u>82,178</u>
		865,369	193,819	1,059,188	568,459
CREDITORS					
Amounts falling due within one year	16	(77,973)	-	(77,973)	(135,546)
NET CURRENT ASSETS		<u>787,396</u>	<u>193,819</u>	<u>981,215</u>	<u>432,913</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,844,449</u>	<u>264,045</u>	<u>3,108,494</u>	<u>2,425,472</u>
NET ASSETS		<u>2,844,449</u>	<u>264,045</u>	<u>3,108,494</u>	<u>2,425,472</u>
FUNDS	17				
Unrestricted funds				2,844,447	2,254,436
Restricted funds				<u>264,047</u>	<u>171,036</u>
TOTAL FUNDS				<u>3,108,494</u>	<u>2,425,472</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 6 December 2021 and were signed on its behalf by:



.....
D Dimbleby - Trustee

The notes form part of these financial statements

TOWNER**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>358,900</u>	<u>(45,773)</u>
Net cash provided by operating activities		<u>358,900</u>	<u>(45,773)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(10,000)	-
Purchase of tangible fixed assets		(35,296)	(76,462)
Purchase of heritage assets		<u>(1,000)</u>	<u>(133,740)</u>
Net cash used in investing activities		<u>(46,296)</u>	<u>(210,202)</u>
Change in cash and cash equivalents in the reporting period		312,604	(255,975)
Cash and cash equivalents at the beginning of the reporting period	2	<u>533,249</u>	<u>789,224</u>
Cash and cash equivalents at the end of the reporting period	2	845,853	533,249

The notes form part of these financial statements

TOWNER

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	528,566	260,991
Adjustments for:		
Depreciation charges	18,576	17,047
Donated works included in income	(107,000)	(203,176)
(Increase)//decrease in debtors	(26,906)	(90,532)
(Increase)/decrease in stock	19,019	(12,529)
Increase/(decrease) in creditors	<u>(73,355)</u>	<u>(17,574)</u>
Net cash provided by operations	<u>358,900</u>	<u>(45,773)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Notice deposits (less than 3 months)	<u>845,853</u>	<u>533,249</u>
Total cash and cash equivalents	<u>845,853</u>	<u>533,249</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	<u>533,249</u>	<u>312,604</u>	<u>845,853</u>
Total	<u>533,249</u>	<u>312,604</u>	<u>845,853</u>

The notes form part of these financial statements

TOWNER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs relating to statutory audit fees, together with any legal advice relating to governance, and an apportionment of overheads as deemed appropriate per note 8 to the accounts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Fixtures and Fittings – 10% straight line, IT and electronic equipment – 25% straight line, Other equipment – 10% straight line

Heritage assets: works of art - "the collection"

The Trustees consider the works of art to be heritage assets as defined by the SORP and FRS 30. Works of Art consist of paintings, sculptures and prints acquired by purchase and or accepted to be accessioned into the Collection through donation and bequest.

Additions to the Collection acquired by purchase are recognised in the balance sheet at cost on an annual basis. All works accessioned into the Collection through donation or bequest are reported in the Balance Sheet at commercial value using recent transaction information from external sources as the basis of assessment.

In accordance with FRS 30 "Market Value" has been defined by the Trustees for this purpose as being the lower of the comparable assessed costs to acquire at auction, compared to that at an appropriate retail gallery. The artworks are deemed to have indeterminate lives and a high residual value, hence the Trustees do not consider it appropriate to charge depreciation.

Going forward, all items purchased for the Collection will continue initially to be recorded in the Balance Sheet at cost and the Trustees will, if considered appropriate, have them re-valued at any point in the future. Collection items acquired by donation or bequest will be recorded at current market value.

Taxation

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

Fund accounting

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

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a pension scheme for some staff providing defined benefits based on final pensionable pay. The assets of the scheme are held separately from those of the charity, being part of the East Sussex County Council Scheme. The most recent actuarial valuation carried out was in March 2020. The Admission Agreement entered into between East Sussex County Council and Eastbourne Borough Council and Towner dated 1 July 2014 are on the basis of a fully funded scheme. Eastbourne Borough Council also acts as a guarantor in relation to the scheme. The charity also operates a defined contribution scheme for the remaining staff.

2. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2021 £	2020 £
Works donated to collection	107,000	-	107,000	203,175
Donations and grants towards capital projects	-	20,356	20,356	10,000
Donations and grants towards collection acquisitions	-	10,125	10,125	133,196
Donations and grants towards core costs	<u>226,504</u>	<u>240,308</u>	<u>446,812</u>	<u>150,756</u>
	<u>333,504</u>	<u>270,789</u>	<u>604,293</u>	<u>497,127</u>

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2021 £	2020 £
Learning activities and funding:				
Income from ticketed activities	-	-	-	2,748
Restricted grants and donations	<u>-</u>	<u>116,303</u>	<u>116,303</u>	<u>53,761</u>
	<u>-</u>	<u>116,303</u>	<u>116,303</u>	<u>56,509</u>
Exhibition and collection activities and exhibition funding				
Exhibition tickets	31,655	-	31,655	32,318
Other ticketed events	35	-	35	4,902
Image licensing and loans	3,038	-	3,038	3,157
Sponsorship	10,000	-	10,000	21,000
Conservation	-	-	-	120
Restricted grants and donations	<u>-</u>	<u>23,308</u>	<u>23,308</u>	<u>50,005</u>
	<u>44,728</u>	<u>23,308</u>	<u>68,036</u>	<u>111,502</u>

4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2021 £	2020 £
Retail sales	83,584	-	83,584	205,393
Café and catering (incl. franchise)	32,062	-	32,062	217,299
Cinema tickets	5,562	-	5,562	69,492
Cinema funding	-	13,899	13,899	1,500
Venue hire (incl. cinema)	<u>1,658</u>	<u>-</u>	<u>1,658</u>	<u>15,849</u>
	<u>122,866</u>	<u>13,899</u>	<u>136,765</u>	<u>509,533</u>

TOWNER

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5. ANALYSIS OF COSTS

	Direct staff costs	Other direct costs	Direct Costs £ Allocated support costs (staff)	Support costs (see note 6) £ Allocated support costs (non staff)	Totals £ Totals
	£	£	£	£	£
Fundraising and Supporters' Costs	112,849	2,846	-	17,160	132,855
South East Creative and Cultural Digital Support	548	6,157	4,461	4,461	15,627
Learning	83,808	35,490	50,368	45,084	214,750
Exhibition and collection activities	304,120	101,098	50,368	118,270	573,856
Travel and subsistence	-	1,038	-	-	1,038
Shop, café, cinema and venue hire	165,579	91,204	50,368	69,721	376,872
Other	-	20,734	-	-	20,734
	<u>666,904</u>	<u>258,567</u>	<u>155,565</u>	<u>254,696</u>	<u>1,335,732</u>

6. GOVERNANCE COSTS

Governance costs comprise:	Total £
Staff costs	25,990
Audit costs	6,250
Regulatory costs	<u>26</u>
	<u>32,266</u>

TOWNER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):	2021	2020
	£	£
Auditors' remuneration	6,250	6,500
Depreciation - owned assets	18,576	17,047
Other operating leases	2,163	4,337

8. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' remuneration or other benefits was paid for the year ended 31 March 2021 or for the year ended 31 March 2020. There were no Trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	729,203	764,722
Social security costs	49,715	51,123
Pension costs	<u>43,552</u>	<u>28,367</u>
	<u>822,470</u>	<u>844,212</u>

The average monthly number of employees during the year was 46 (2020: 46)

The number of staff whose employee benefits (excluding employer pension costs) exceeded £60,000 was 1 (2020:nil) as follows:

	2021	2020
£60,001 - £70,000	1	0

TOWNER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	317,602	179,525	497,127
Charitable activities			
Secured funding EBC	413,880	-	413,880
Secured funding Arts Council	359,350	-	359,350
ACCNPF Funding	-	60,000	60,000
Pathways Funding	-	21,000	21,000
South East Creative and Cultural Digital Support	-	10,610	10,610
Learning activities and funding	2,748	53,761	56,509
Exhibition & collection activities and exhibition funding	61,497	50,005	111,502
Memberships, Patrons and Director's Circle	62,693	-	62,693
Trading activities			
Shop, café, cinema, venue hire	508,033	1,500	509,533
Other income	4,463	-	4,463
Total	1,730,266	376,401	2,106,667

TOWNER

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

	Unrestricted funds £	Restricted funds £	Total Funds £
EXPENDITURE ON			
Charitable activities			
Fundraising and Supporters' Costs	136,030	9,037	145,067
ACCNPF expenditure	-	31,035	31,035
South East Creative and Cultural Digital Support	-	1,688	1,688
Learning	220,054	61,820	281,874
Exhibition and collection activities	694,562	23,119	717,681
Travel and subsistence	8,304	-	8,304
Trading activities			
Shop, café, cinema, venue hire	655,548	3,834	659,382
Other	645	-	645
Total Expenditure	1,715,143	130,533	1,845,676
NET INCOME	15,123	245,868	260,991
Transfers between funds	1,300,881	(1,300,881)	-
Net movement in funds	1,316,004	(1,055,013)	260,991
RECONCILIATION OF FUNDS			
Total funds brought forward	1,016,716	1,226,049	2,242,765
TOTAL FUNDS CARRIED FORWARD	<u>2,332,720</u>	<u>171,036</u>	<u>2,503,756</u>

TOWNER

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	<u>10,000</u>
NET BOOK VALUE	
At 31 March 2021	<u>10,000</u>
At 31 March 2020	<u>-</u>

12. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2020	441,933	62,716	123,057	13,745	641,451
Additions	<u>2,519</u>	<u>20,561</u>	<u>10,846</u>	<u>1,370</u>	<u>35,296</u>
At 31 March 2021	<u>444,452</u>	<u>83,277</u>	<u>133,903</u>	<u>15,115</u>	<u>676,747</u>
DEPRECIATION					
At 1 April 2020	-	1,305	30,764	3,436	35,505
Charge for year	<u>-</u>	<u>1,305</u>	<u>13,492</u>	<u>3,779</u>	<u>18,576</u>
At 31 March 2021	<u>-</u>	<u>2,610</u>	<u>44,256</u>	<u>7,215</u>	<u>54,081</u>
NET BOOK VALUE					
At 31 March 2021	<u>444,452</u>	<u>80,667</u>	<u>89,647</u>	<u>7,900</u>	<u>622,666</u>
At 31 March 2020	<u>441,933</u>	<u>61,411</u>	<u>92,293</u>	<u>10,309</u>	<u>605,946</u>

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 April 2020	1,386,612
Additions - donated	107,000
Additions - purchased	<u>1,000</u>
At 31 March 2021	<u>1,494,612</u>
NET BOOK VALUE	
At 31 March 2021	<u>1,494,612</u>
At 31 March 2020	<u>1,386,612</u>

14. FIXED ASSET INVESTMENTS

The charity controls Towner Enterprises Limited, which is incorporated in England, by virtue of holding 100% of its £1 equity share capital. The company undertakes ancillary trading activities at Towner with the aim of gifting its taxable profits to the charity.

	2021 £	2020 £
Turnover	136,764	509,533
Expenditure	(212,934)	(431,248)
Profit(loss) for the year	(76,170)	78,285
Amount gift aided to the Charity in the year	78,284	65,615

The Assets and Liabilities of Towner Enterprises Ltd were:

Total assets	388,767	500,845
Total liabilities	(464,936)	(422,560)
Net assets	(76,169)	78,285
Represented by:		
Share capital and reserves	(76,169)	<u>78,285</u>

TOWNER

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Trade debtors	14,202	8,000	17,102	15,258
Amounts owed from subsidiary	-	452,027	-	394,193
Other debtors	61,228	59,868	26,603	23,230
Prepayments and accrued income	<u>48,781</u>	<u>48,781</u>	<u>53,600</u>	<u>53,600</u>
	124,211	568,676	97,305	486,281

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Trade creditors	31,931	29,998	47,697	35,773
Other creditors	1,178	186	2,396	-
Tax & social security	5,322	2,913	21,875	10,948
Accruals and deferred income	<u>52,451</u>	<u>44,876</u>	<u>92,269</u>	<u>88,825</u>
	90,882	77,973	164,237	135,546

TOWNER

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

17. MOVEMENT IN FUNDS

	At 1/4/20	Net income	Transfers between funds	At 31/3/21
	£	£	£	£
Unrestricted funds:				
General fund	2,332,720	438,760	(3,205)	2,768,275
Restricted funds:				
Building development project	59,665	20,356	4,205	84,226
Collection acquisitions	21,286	10,125	(1,000)	30,411
Learning	3,441	40,427	-	43,868
Exhibitions	65,630	22,664	-	88,294
South East Creative and Cultural Digital Support	8,922	(8,922)	-	-
Fundraising	12,093	(2,846)	-	9,247
Job Retention Scheme	-	-	-	-
Other	-	8,000	-	8,000
Total restricted	171,036	89,806	3,205	264,047
Total Funds	2,503,756	528,566	-	3,032,322

Transfers between funds include: (1) £20,561 design fees on a ground floor development project paid from Towner's unrestricted funds but which will be recouped from funders less £16,356 received from Arts Council on a new entrance system as part of the same project but which has been transferred to unrestricted funds as the asset in question is in operation and general use. (2) £1,000 for an artwork purchased from the Acquisitions Fund and moved to the general collection

TOWNER

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

17	NET INCOME - DETAIL	Incoming	Resources	Net income
contd		resources	expended	
		£	£	£
	Unrestricted funds:			
	General fund	1,433,293	(994,533)	438,760
	Restricted funds:			
	Building development project	20,356	-	20,356
	Collection acquisitions	10,125	-	10,125
	Learning	116,303	(75,876)	40,427
	Exhibitions	33,308	(10,644)	22,664
	South East Creative and Cultural Digital Support	6,706	(15,627)	(8,921)
	Fundraising	1,000	(3,846)	(2,846)
	Job Retention Scheme	221,308	(221,308)	-
	Other	21,899	(13,899)	8,000
	Total restricted	431,005	(341,199)	89,806
	Total Funds	1,864,298	(1,335,732)	528,566

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

18. MOVEMENT IN FUNDS – PRIOR YEAR COMPARATIVE

	At 1/4/19	Net income (see below)	Transfers between funds	At 31/3/20
	£	£	£	£
Unrestricted funds:				
General fund	1,016,716	15,123	1,300,881	2,332,720
Restricted funds:				
Total restricted funds	1,226,050	245,867	(1,300,881)	171,036
Total Funds	2,242,766	260,991	-	2,503,756

NET INCOME PRIOR YEAR COMPARATIVE - DETAIL

	Incoming Resources	Resources expended	Net income
Unrestricted funds:			
General fund	1,730,266	(1,715,143)	15,123
Restricted funds:			
Total restricted funds	376,401	(130,533)	245,868
Total Funds	2,106,667	(1,845,676)	260,991

The main elements of the transfer between funds during year ended 31 March 2020 are:

With respect to opening position:

- (1) -£1,226,130 fixed assets previously classified as restricted but now deemed unrestricted as held for the general charitable purposes of Towner
- (2) +£11,822 being re-establishment of the opening position on the collection acquisitions fund
- (3) +£15,804 being re-establishment of the opening position of the Catalyst development fund
- (4) +£10,582 being recognition of the unspent contribution paid by Art Fund towards the Moving Image Fund

With respect to the year:

- (1) -£133,740 works purchased out of the acquisitions fund for the collection
- (2) -£28,965 ACCNPF funding received against prior year expenditure
- (3) +£49,665 funding of capitalised restricted development expenditure met by unrestricted funds

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

19. EMPLOYEE BENEFIT OBLIGATIONS

For staff who transferred from the Eastbourne Borough Council, the charity operates a pension scheme providing defined benefits based on pensionable pay. The assets of the scheme are held separately from those of the charity, being part of the East Sussex Pension Fund. Pension contributions are determined by a qualified actuary on the basis of triennial valuations. The latest valuation was carried out as at 31 March 2019. Under an agreement with the Borough Council, Towner's liability is limited to an employer contribution rate of 19.2% of pensionable pay. Other staff have the option of joining a defined contribution scheme under auto-enrolment provisions.

20. RELATED PARTY DISCLOSURES

Towner employed the services of King & McGaw Ltd, the value of the work carried out totalled £4,008 (2020 £12,621) and sponsorship received from them towards exhibition costs was £nil (2020 £4,000). King and McGaw is a company owned by Mr G King, a Trustee of Towner.

21. MEMBERS' LIABILITY

The charity is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.