

**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 2024**  
**FOR**  
**TOWNER**

## **TOWNER**

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## **TOWNER**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024**

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 2024. 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.

#### **Trustees Report on Activities**

##### **Overview of 2023/24**

2023/24 was Towner's most successful year garnering national profile and record audiences of 213,000 for its high-profile exhibitions which included a major retrospective on the sculptor Barbara Hepworth and the Turner Prize, the world's most prestigious art award. It was the largest scale project the gallery and team has undertaken which was generously supported by sponsors, grant funders and private donations. There was also generous in-kind support of goods and services from partners and suppliers.

Turner Prize was supported by Eastbourne ALIVE, an ambitious engagement programme across Eastbourne. It brought together local creative partner organisations, artists and communities which ran from March 2023 through till March 2024. It was aimed particularly at young people to raise aspirations of their hometown and change perceptions of the town among visitors and boost the visitor economy.

## TOWNER

### REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024

#### The Year in Numbers

We welcomed **212,722** visitors to Eastbourne as a result of the Turner Prize and Eastbourne ALIVE.

We opened **4 new exhibitions**

In our cinema we held **492 screenings of 145 titles** with **18,515 people** enjoying a film at Towner Cinema throughout the year  
**18,360** visited our summer exhibition Barbara Hepworth: Art & Life

More than **7,500 people attended our public programme** of talks, workshops and masterclasses to accompany our exhibitions  
Almost **6,000** people, mostly children and young people, participated in the Learning & Engagement Programme's free creative sessions, workshops and events. This includes **2,000** pupils participating in artist-led workshops in schools and **1,400** Year 9 pupil visits to Turner Prize. A further **5,000** participated in Eastbourne ALIVE's workshops and events around the Turner Prize. There were **446K page views** on our website

We welcomed over **6,000 new followers** across our social media platforms

We generated **press coverage that received over 14 million views**

This included 453 articles on the Turner Prize 2023 with an estimated **13.6 million views**.

#### Team numbers

53 (including full & part time & zero hours contracted)

50 volunteers

#### Enterprises

Light Restaurant managed by Borough Restaurants opened in May 2023 following a refurbishment of the previous Towner café space. The 45 cover Scandinavian-inspired restaurant is open for lunch each day the gallery is open and for dinner Thursday – Sunday. As well as delivering a high-quality catering offer, the move to a third-party provider has protected the organisation from the risk of operational losses relating to catering whilst also delivering a consistent income line.

Overall, our commercial activities performed well throughout the year, supported by high visitor figures and a popular exhibition programme. Retail and Cinema sales came in over budget, with cinema becoming an increasingly important strand in our commercial strategy.

During the year we continued to develop a range of commercial events, including our first Ceramics Fair, a two-day event that celebrated the versatile artform in honour of Barbara Hepworth and her exhibition at Towner.

#### Environment sustainability

We have researched the options for installing solar panels on our roof, as a major project to support our environmental sustainability commitments as well as reducing our spend on energy. Plans were developed and costed during the year and we hope to proceed with installation in 24/25.

#### Diversity and Inclusion

Hosting the Turner Prize provided an excellent opportunity to extend our existing access resources to support disabled and neuro-diverse visitors. This included the provision of sensory bags and quiet sessions to support neurodiverse visitors, live BSL for artist events, an audio guide developed by VocalEyes and a visual guide and sensory map commissioned from autistic artist Anna Farley. These resources were commended in a review by disabled artist Jamilia Prowse who commented that Towner's exhibition spaces showed "a real consideration not only of how art can be accessed, but also who the art is for."

In our cinema programme we offered regular captioned screenings, dementia friendly screenings, family films and special screenings for carers. Alongside our regular programme of free events and exhibitions, we also offered free entrance across our ticketed programmes for carers and under 18s and discounts for those in receipt of benefits.

We continued our partnership with iniva (Institute of International Visual Arts) including the commission of artist Maria Amidu and curatorial training programme aimed at broadening representation in our exhibitions and collection acquisitions.



## **TOWNER**

### **REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024**

We continued to offer team training on diversity and inclusion topics including a session with the organisation Gendered Intelligence on Trans Inclusion, which culminated with the development of a new Trans Inclusion policy for the organisation.

#### **Youth Voice / Skills & Training**

We are delivering a new Youth Voice Strategy to improve structural inclusivity by involving young people in Towner's decision-making processes and improving representation in our organisation from the local community. A new Collection & Acquisitions Committee funded by Art Fund Reimagine is providing opportunities for young adults from diverse backgrounds to take part in selecting artworks for the collection and receive training and professional development opportunities. The Towner team will also gain experience of working with young people and a Coordinator role is supporting an early-career curator.

We are offering work placements for FE students in partnership with East Sussex College & Talent Accelerator providing skills and training for young adults to enter the culture sector or wider creative industries and tourism.

#### **Creative Newhaven**

Newhaven's Cultural Action Plan continued to catalyse Newhaven Enterprise Zone's 25-year investment programme with *Following Ravilious – Newhaven Views*, a free public art trail of 8 large-scale artworks in 4 Newhaven locations during August, September and October 2023.

The giant billboard artworks included four paintings by Eric Ravilious alongside a new work by contemporary artists; Emily Allchurch, Jo Lamb, Charlie Prodger and Mark Titchner, their responses inspired by Ravilious and the modern Newhaven landscape.

Following Ravilious was accompanied by a summer programme of events & activities and an illuminated sculptural installation by Hanna Benihoud in Newhaven Library window. Over the whole year, audiences reached 150,000 and Instagram followers increased to 1,600.

#### **Black Robin Farm**

Planning permission was granted by South Downs National Park Authority in February 2024 to develop the dairy farm into a new cultural destination. The application was led by Eastbourne Borough Council in partnership with Towner and other key stakeholders. With funding from the previous government's Levelling Up fund, the landscape-led project will include exhibitions, learning activities, cultural events and a visitor offer providing an Eastern gateway to the national park and the unique Downland landscape for communities and visitors. We are continuing to fundraise for the capital development of a new gallery building and of the Flint Barns into a Landscape Heritage Visitor Centre. It is expected that work will begin on the centre in spring 2025.

#### **Programme Report Towner 100 Exhibitions**

*Unseen*: 11 February to 14 May 2023  
and *The Living Collection*: 17 December 2022 to 28 August 2023

## TOWNER

### REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024

In Towner's one-hundredth year, we held two exhibitions focussed on Towner's Collection – one looking forward and one looking back at Towner's 100 hundred years of collecting. *Unseen* displayed a selection of new acquisitions that have joined the collection recently and had not yet been unseen. Through these works, audiences were asked to engage with questions such as which artists and artworks get acquired for a gallery collection and which get displayed? How are these decisions made and who is making them? What does a town's collection say about its communities?

Alongside [TOWNER 100: The Living Collection](#) told some of the stories about gifts, bequests and purchases that have contributed to making the collection what it is today and looking at how it might develop into the future. The exhibition considered Towner's broad and varied history of collecting and exhibiting over the past one hundred years through a selection of paintings, prints and artefacts.

#### ***Barbara Hepworth Art & Life: 27 May to 3 September 2023***

This exhibition displayed some of Hepworth's most celebrated sculptures including the modern abstract carving that launched her career in the 1920s and 1930s, her iconic strung sculptures of the 1940s and 1950s, and large-scale bronze and carved sculptures from later in her career. Key loans from national public collections were shown alongside works from private collections that had not been on public display since the 1970s, and rarely seen drawings, paintings and fabric designs. The exhibition was themed around Hepworth's broader cultural interests in music, dance, theatre, politics and literature, exploring these and encouraging new interpretations and presentations of her work.

#### ***Turner Prize: 28 September 2023 – 14 April 2024***

Towner Eastbourne played host to the Turner Prize 2023, the world's leading prize for contemporary art. One of the best-known prizes for the visual arts in the world, the Turner Prize aims to promote public debate around new developments in contemporary British art. Established in 1984, the Prize is awarded to a British artist for an outstanding exhibition or other presentation of their work in the previous twelve months.

The four nominated artists were Jesse Darling, Ghislaine Leung, Rory Pilgrim. Artist Jesse Darling was announced as the winner of the Turner Prize on 5 December 2023 at an exclusive televised ceremony and dinner for 400 guests in Eastbourne's Winter Gardens. The artist was awarded £25,000 with £10,000 awarded to the other shortlisted artists.

With sponsorship from King & McGaw, support from Eastbourne Borough Council, East Sussex County Council, the University of Sussex, the Chalk Cliff Trust and private donors as well as a host of in-kind supporters including Identity, the Turner Prize brought transformative cultural and social experiences to Eastbourne for visitors and residents.

Visitor feedback

- *All relatable this year: Motherhood vs art making; Celebration vs oppression; Despair and recovery and hope; the de-legitimizing of citizens. Powerful! Well done to Towner!*
- *Barbara Walker's work brought me to tears. Sharing the stories with my kids was very powerful.*
- *Rory Pilgrim made me feel like I belonged in an Art gallery. Thank you for drawing me in with your thoughtful creativity.*
- *This is a beautiful building. Made for sharing beautiful things. We saw a water soundscape, we listened to animated music, we read life stories and we puzzled at hammers on walls. Thank you, Towner ♥♥.*

#### **Eastbourne ALIVE**

Eastbourne ALIVE, the celebratory community partnership programme around Turner Prize funded by Arts Council England's first Place Partnership was aimed at young people to foster pride in their hometown through creative engagement.

## TOWNER

### REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024

We delivered 20 public artworks/interventions, opportunities for 50 artists, 100 workshops, performances & events, 121 participant placements for 50 young people with 23 organisations, over 1400 Year 9 student visits to Turner Prize. 30 businesses participated in dressing the town in Eastbourne ALIVE brand and colours.

At the heart of the project was an ambitious schools project to bring Year 9 pupils to visit the exhibition and attend artist-led workshops in school. The aim was to grow confidence in engaging with contemporary art and develop creative skills ahead of making their GCSE choices. We ran 88 sessions for 2054 students (across all years) in 15 schools including 1 college, 1 special school and 1 Pupil Referral Unit. 57 children visited who are educated outside of a mainstream classroom. 10 artists delivered 90 workshops in classrooms.

Students and teachers were provided with a printed guide to contemporary art titled, *Give it Some Oomph!* designed by a group of Year 9 students at Turing School who worked with artist Richard Phoenix and Towner to design an accessible guide and activity book for their peers.

Towner provided work experience for **35 students** (26 from University of Sussex, 9 additional recruited through Talent Accelerator) who received training to support the pupils and digital badges.

**Susanne (University of Sussex):** *It [has been] a really good opportunity to start to talk about art in a public setting and with young people - to be able to hear yourself articulate ideas out loud... This is something I've not done before, so that was an invaluable experience.*

#### Key Turner Prize Statistics

**130,000 people visited Turner Prize 2023** (September 2023 – April 2024) which was free to enter. This figure represents a **40% increase on the same period last year** (figures for this period in 2022-23 total 80,400).

Participants in gallery based public programme: **6,466**.

**5,000** people took part in Eastbourne ALIVE workshops.

At least **12,500,000 views of public artwork** in the town either online or in person.

**£16.1 million in additional economic impact** arose from Turner Prize and Eastbourne ALIVE activities.

**80% of residents** felt positive about the town.

**85% visitors** felt positive about the town.

#### Public Programme

We delivered a new public programme of imaginative, multi-disciplinary events and engagement activities. During 23/24 we delivered 50 events and activities that reached 7,567 people and involved 84 artists and facilitators. Most activities were free, but 10 events were ticketed or pay-what-you-can generating a new income stream.

Events included Towner's 100<sup>th</sup> birthday celebration in May 2023 attracting 2000 people, breaking the record for visitors in one day. Free events throughout the day included a family workshop, 4 brass band performances of a work inspired by Barbara Hepworth, subject of the major retrospective exhibition. There were also films, art store tours, the performance of a new acquisition of work by 2019 Turner Prize winner Helen Cammock and accompanying panel discussion, a cake cutting ceremony and DJs.

The Turner Prize events explored new perspectives to bring greater understanding of the four shortlisted artists' work. 20 events included conversations with the shortlisted artists, music, poetry and vocal performances, fiction readings, meditation, and tours for BSL and audio description users. 920 people physically attended Turner Prize events and several thousand digitally attended event live streams and watched recordings.

## **TOWNER**

### **REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024**

#### **Learning & Engagement**

The Making Together programme continued offering artist and participants opportunities to work together in the gallery and community settings. Our projects focus on the process of making and creative practice to support creative development, build skills and confidence and contribute to wellbeing. Our priority groups are Early Years, Schools and adults, especially young adults, to support positive mental health.

##### **Early Years**

Free weekly Wriggle Room sessions alternating between the gallery and Willingdon Trees Community Centre in Hampden Park (IMD lowest 10% for education and training) providing free artist-led creative sessions for under-5s and their caregivers. During 2023-24 there were **898 attendees** (549 at Towner/Beacon Centre & 349 at The Trees).

##### **Holiday programme**

Artist-led holiday activities and takeover days for families run during half terms and the Easter holidays (1296 participants in 2023/24).

##### **Supporting mental health**

Banana Sharks for 12-18 year olds meets at Willingdon Trees Community Centre in Hampden Park on Friday evenings. Working with two artists, participants use photography, modelling, music and food to learn how beneficial creative activities can be for positive mental health & resilience.

Arts in Mind is a regular group for adults with mental health conditions to create new work together helping to reduce isolation and anxiety while helping them to learn to self-manage their conditions and aid recovery.

##### **Community public artworks**

Since summer 2023 we have worked with communities in two of Eastbourne's most disadvantaged areas, Seaside and Shinewater/Langney, both in the IMD lowest 20% for education and training.

*RIVIERIA* is taking place over 8 sites in the local area of Seaside. The artist Navine G Dossos worked with over 50 Seaside residents creating stencils of local motifs reflective of the neighbourhood's character and history. From these stencils a bespoke designed textile has been produced for clothes making, furnishings and shop awnings. The project and design will be exhibited at local arts organisation Devonshire Collective's VOLT gallery in summer 2024.

*THE FINDINGS* project took place outdoors and in 8 workshops in an empty shop unit in Langney shopping centre. Local community groups such as Langney Men's Shed and Shinewater Primary School participated in creative workshops and two 'archaeological' digs around Shinewater Park revealing found items and fragments which have been cast into 3D objects to be installed at 5 sites around the area. The bronze age history of the local marshes and how this might be relevant to the community that lives here today was the project's inspiration.

Both commissions, which were funded by the previous Government's Levelling Up fund as part of Towner's centenary, complete in summer 2024.

## **TOWNER**

### **REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024**

#### **Financial position and reserves**

Total reserves at the end of the year were £5,307,493 (2023: £4,964,117). 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 £868,409 as at 31 March 2024 (2023: £781,481) 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. Unrestricted reserves include £205,000 designated to Emerging Artists' expenditure and new staff positions.

#### **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. Prior to signing off this report Eastbourne Borough Council have announced their intention to reduce their funding within this financial year, as disclosed in Note 23. Taking this into account, the Trustees have reviewed the cash position of the charity and are satisfied that the charity will remain able to meet all its financial commitments. The Trustees believe that the charity is able to manage its financial risks successfully and are confident that there are sufficient reserves for the operation to continue. This position will force the charity to review all its free-to-access exhibitions and could result in an increase in ticketed activity. This will be in conjunction with an accelerated programme of income diversification.

## **TOWNER**

### **REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024**

#### **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 eight 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. 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

## **TOWNER**

### **REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024**

#### **Trustees**

J Babarinde	Member of Parliament, Community Campaigner and Social Entrepreneur
Mrs ME Bannister	Councillor (appointed 11 September 2023)
Ms D V Casson	Designer (resigned 3 June 2024)
Dr F M Dennis	Senior Lecturer
D Dimbleby	Broadcaster
J Jones	Artist and Lecturer
G F H King	Publisher
C F McKenzie	Freelance Arts Consultant (resigned 11 December 2023)
C R Swansborough	Accountant (resigned 11 September 2023)
J Williams	Arts Manager and Councillor
C Wood	Curator, Writer and Art Historian

#### **Director**

Joe Hill

#### **External Finance Committee Member**

Judith Barber

#### **Auditors**

Xeinadin Audit Limited  
Chartered Accountants  
Registered Auditor  
36 Old Jewry  
London  
EC2R 8DD

#### **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.



## **TOWNER**

### **REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2024**

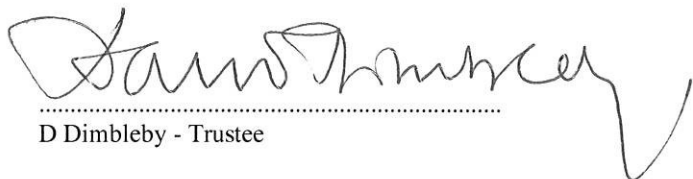
In so far as the trustees are aware:

- 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.

## **AUDITORS**

The auditors, Xeinadin Audit Limited were reappointed at the Meeting of Trustees on 16 September 2024

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 September 2024 and signed on the board's behalf by:



.....  
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 2024 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 and its subsidiary's affairs as at 31 March 2024 and of their incoming resources and application of resources, including their 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 - continued**

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

In the light of the knowledge and understanding of the charitable company and its subsidiaries and their 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:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the management team
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the management team.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognizing that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

**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.



Andrew Hill FCA (Senior Statutory Auditor)  
for and on behalf of Xeinaidin Audit Limited  
Chartered Accountants  
Registered Auditor  
36 Old Jewry  
London  
EC2R 8DD

Date: 16/09/2024

**TOWNER**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Notes					
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	2	224,751	377,215	601,966	1,500,009
<b>Charitable activities</b>					
Secured funding EBC		413,880	-	413,880	413,880
Secured funding Arts Council England		537,962	-	537,962	365,962
Newhaven Creative		-	151,703	151,703	174,404
Learning activities and funding	3	-	66,081	66,081	146,349
Turner Prize Funding	3	153,668	35,907	189,575	40,000
Eastbourne Alive funding	3	-	511,915	511,915	50,000
Exhibition & collection activities and exhibition funding	3	177,219	103,595	280,814	99,573
Public art trail funding		-	65,587	65,587	-
Memberships, Patrons and Director's circle		108,205	-	108,205	96,003
Art Fund Museum of the Year Prize		-	-	-	-
Museums & Galleries Exhibitions Tax Relief		189,387	-	189,387	76,068
Trading activities: retail, café, cinema, venue hire & events	4	538,367	2,600	540,967	515,399
Other income	5	7,889	-	7,889	71,104
<b>Total</b>		<b>2,351,328</b>	<b>1,314,603</b>	<b>3,665,931</b>	<b>3,548,751</b>
<b>EXPENDITURE ON:</b>					
	6				
<b>Charitable activities</b>					
Fundraising and supporters' costs		170,645	11,983	182,628	173,524
Newhaven Creative		-	204,434	204,434	134,456
Learning activities		244,739	110,843	355,581	335,195
Turner Prize		517,234	76,498	593,732	94,058
Eastbourne Alive		17,569	506,020	523,589	42,514
Exhibition & collection activities		644,475	49,854	694,329	883,956
Public art trail		218	65,587	65,805	-
Travel and subsistence		17,402	-	17,402	7,446
<b>Trading Activities</b>					
Shop, café, cinema, venue hire & commercial events		683,344	1,100	684,444	706,648
Other trading activities		609	-	609	1,325
<b>Total</b>		<b>2,296,235</b>	<b>1,026,319</b>	<b>3,322,554</b>	<b>2,379,122</b>
<b>NET INCOME</b>		<b>55,093</b>	<b>288,284</b>	<b>343,376</b>	<b>1,169,629</b>
Transfers between funds	18	723,529	(723,529)	-	-
<b>Net movement in funds</b>		<b>778,622</b>	<b>(435,245)</b>	<b>343,376</b>	<b>1,169,629</b>
Total funds brought forward		4,279,893	684,223	4,964,117	3,794,488
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>5,058,515</b>	<b>248,978</b>	<b>5,307,493</b>	<b>4,964,117</b>

**TOWNER**

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	12	6,138	-	6,138	9,207
Tangible assets	13	2,118,767	-	2,118,767	2,068,531
Heritage assets	14	<u>2,065,201</u>	<u>-</u>	<u>2,065,201</u>	<u>1,860,062</u>
		4,190,106	-	4,190,106	3,937,800
<b>CURRENT ASSETS</b>					
Debtors	16	334,541	36,368	370,909	500,901
Stock		47,583	-	47,583	39,376
Cash at bank		<u>625,992</u>	<u>203,014</u>	<u>829,006</u>	<u>767,824</u>
		1,008,115	239,382	1,247,497	1,308,101
<b>CREDITORS</b>					
Amounts falling due within one year	17	(139,706)	9,596	(130,110)	(281,785)
<b>NET CURRENT ASSETS</b>		<u>868,409</u>	<u>248,978</u>	<u>1,117,387</u>	<u>1,026,317</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,058,515</u>	<u>248,978</u>	<u>5,307,493</u>	<u>4,964,117</u>
<b>NET ASSETS</b>		<u>5,058,515</u>	<u>248,978</u>	<u>5,307,493</u>	<u>4,964,117</u>
<b>FUNDS</b>	18				
Unrestricted funds				5,058,515	4,279,893
Restricted funds				<u>248,978</u>	<u>684,223</u>
<b>TOTAL FUNDS</b>				<u>5,307,493</u>	<u>4,964,117</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 September 2024 and were signed on its behalf by:

  
.....  
D Dimbleby - Trustee

**TOWNER**

**BALANCE SHEET  
31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	12	6,138	-	6,138	9,207
Tangible assets	13	2,118,767	-	2,118,767	2,068,531
Heritage assets	14	2,065,201	-	2,065,201	1,860,062
Investments	15	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		4,190,107	-	4,190,107	3,937,801
<b>CURRENT ASSETS</b>					
Debtors	16	455,371	36,368	491,739	726,105
Cash at bank		<u>501,137</u>	<u>203,014</u>	<u>704,150</u>	<u>610,031</u>
		956,507	239,382	1,195,889	1,336,136
<b>CREDITORS</b>					
Amounts falling due within one year	17	(101,328)	9,596	(91,732)	(245,255)
		<u>855,179</u>	<u>248,978</u>	<u>1,104,157</u>	<u>1,090,881</u>
<b>NET CURRENT ASSETS</b>					
		<u>855,179</u>	<u>248,978</u>	<u>1,104,157</u>	<u>1,090,881</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>5,045,286</u>	<u>248,978</u>	<u>5,294,264</u>	<u>5,028,682</u>
<b>NET ASSETS</b>					
		<u>5,045,286</u>	<u>248,978</u>	<u>5,294,264</u>	<u>5,028,682</u>
<b>FUNDS</b>	18				
Unrestricted funds				5,045,286	4,344,458
Restricted funds				<u>248,978</u>	<u>684,223</u>
<b>TOTAL FUNDS</b>				<u>5,294,264</u>	<u>5,028,682</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 September 2024 and were signed on its behalf by:

  
D Dimbleby - Trustee

## TOWNER

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>343,334</u>	<u>988,110</u>
Net cash provided by operating activities		<u>343,334</u>	<u>988,110</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	-
Purchase of tangible fixed assets		(211,244)	(997,041)
Irrecoverable VAT adjustment re improvements to property		10,109	-
Purchase of heritage assets		<u>(81,017)</u>	<u>(43,000)</u>
Net cash used in investing activities		<u>(282,152)</u>	<u>(1,040,041)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		61,182	(51,931)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<u>767,824</u>	<u>819,755</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	829,006	767,824

# TOWNER

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

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

	2024 £	2023 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	343,376	1,169,629
<b>Adjustments for:</b>		
Depreciation charges	153,968	111,441
Donated works included in income	(124,122)	(230,750)
(Increase)//decrease in debtors	129,993	(253,493)
(Increase)/decrease in stock	(8,207)	(6,200)
Increase/(decrease) in creditors	(151,674)	197,484
<b>Net cash provided by operations</b>	<u>343,334</u>	<u>988,110</u>

### 2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Notice deposits (less than 3 months)	<u>829,006</u>	<u>767,824</u>
Total cash and cash equivalents	<u>829,006</u>	<u>767,824</u>

### 3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/23 £	Cash flow £	At 31/3/24 £
<b>Net cash</b>			
Cash at bank and in hand	<u>767,824</u>	<u>61,182</u>	<u>829,006</u>
<b>Total</b>	<u>767,824</u>	<u>61,182</u>	<u>829,006</u>



## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 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 staff overhead.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Improvements to property – over remaining lease term. Fixtures and Fittings – 10% straight line, IT and electronic equipment – 20-25% straight line, Other equipment – 10% straight line. Website costs 20% 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.

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 1. ACCOUNTING POLICIES - continued

##### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

##### 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 2023. 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.

##### Donated goods and services

The value of these is not currently included in the financial statements but would be if deemed material.

#### 2. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	Total 2024 £	2023 £
Works donated to collection	124,122	-	124,122	230,750
Donations and grants towards capital projects	-	203,125	203,125	882,850
Donations and grants towards collection acquisitions	-	77,000	77,000	17,000
Donations and grants towards core costs	100,629	97,090	197,719	356,414
Legacies	-	-	-	<u>12,995</u>
	<u>224,751</u>	<u>377,215</u>	<u>601,966</u>	<u>1,500,009</u>

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2024 £	2023 £
<b>Learning activities and funding:</b>				
Income from learning activities	-	-	-	111
Restricted grants and donations	<u>-</u>	<u>66,081</u>	<u>66,081</u>	<u>146,238</u>
	<u>-</u>	<u>66,081</u>	<u>66,081</u>	<u>146,349</u>
<b>Turner Prize Funding</b>				
Sponsorship	147,500	-	147,500	-
Restricted grants and donations	-	35,907	35,907	40,000
Event income and catalogue sales	<u>6,168</u>	<u>-</u>	<u>6,168</u>	<u>-</u>
	<u>153,668</u>	<u>35,907</u>	<u>189,575</u>	<u>40,000</u>
<b>Eastbourne Alive Funding</b>				
Restricted grants and donations	-	<u>511,915</u>	<u>511,915</u>	<u>50,000</u>
<b>Exhibition and collection activities and exhibition funding</b>				
Exhibition tickets	166,345	-	166,345	44,936
Other ticketed events	9,491	-	9,491	9,814
Image licensing and loans	1,383	-	1,383	3,345
Touring income	-	-	-	4,041
Sponsorship	-	-	-	15,000
Restricted grants and donations	<u>-</u>	<u>103,595</u>	<u>103,595</u>	<u>22,437</u>
	<u>177,219</u>	<u>103,595</u>	<u>280,814</u>	<u>99,573</u>

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 4. TRADING ACTIVITIES

	Unrestricted £	Restricted £	2024 £	2023 £
Retail sales (shop and online)	332,346	-	332,346	221,484
Café and catering	1,370	-	1,370	142,343
Cinema tickets	149,863	-	149,863	114,970
Cinema funding	-	600	600	980
Rental income and recharged expenses	21,786	-	21,786	-
Venue hire (incl. cinema)	21,163	-	21,163	20,098
Commercial events	11,838	-	11,838	11,523
Other restricted funding of trading activities	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>4,000</u>
	<u>538,367</u>	<u>2,600</u>	<u>540,967</u>	<u>515,399</u>

#### 5. OTHER INCOME

	Unrestricted £	Restricted £	2024 £	2023 £
Insurance claims received	-	-	-	500
Sussex Modern income	-	-	-	33,333
Sale of equipment	363	-	363	2,360
Sale of non-accessioned gifts	482	-	482	31,458
Book royalties	531	-	531	405
Miscellaneous	436	-	436	204
Interest received	<u>6,077</u>	<u>-</u>	<u>6,077</u>	<u>2,844</u>
	<u>7,889</u>	<u>-</u>	<u>7,889</u>	<u>71,104</u>

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 6. ANALYSIS OF COSTS

	Direct staff costs	Other direct costs	Allocated support costs (staff)	Allocated support costs (non staff)	Totals
	£	£	£	£	£
Fundraising and Supporters' Costs	134,408	15,457	-	32,763	182,628
Newhaven Creative	69,531	132,403	2,500	-	204,434
Learning	94,932	88,991	65,222	106,437	355,581
Turner Prize	177,446	276,753	65,222	74,312	593,732
Eastbourne Alive	61,461	462,128	-	-	523,589
Exhibition and collection activities	279,614	115,747	65,222	233,746	694,329
Public Art Trail	12,500	53,305	-	-	65,805
Travel and subsistence	-	17,402	-	-	17,402
Shop, café, cinema and venue hire	152,562	275,736	65,222	190,925	684,444
Other	-	609	-	-	609
	<u>982,453</u>	<u>1,438,532</u>	<u>263,386</u>	<u>638,182</u>	<u>3,322,554</u>

Newhaven Creative other direct costs includes £52,252 grants to grass roots organisations (2023:£14,900 organisations)

#### 7. GOVERNANCE COSTS

	Total £
Governance costs comprise:	
Staff costs	22,875
Audit costs	7,300
Regulatory costs	26
Recruitment costs	16,169
Room hire	706
Other	468
	<u>47,544</u>

These notes form part of the financial statements

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):	2024	2023
	£	£
Auditors' remuneration	7,300	6,650
Depreciation - owned assets	60,986	34,564
Other operating leases	1,320	2,460

#### 9. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' remuneration or other benefits were paid for the year ended 31 March 2024 or for the year ended 31 March 2023. Towner-related travel expense reimbursement was £nil (2023: £16).

#### 10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,108,720	981,481
Social security costs	88,166	77,337
Pension costs	48,954	34,071
	<u>1,245,840</u>	<u>1,093,248</u>

The average monthly number of employees during the year was 52 (2023: 53)

The number of staff whose employee benefits (excluding employer pension costs) exceeded £60,000 was 1 (2023: 1) as follows:

	2024	2023
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

In addition to the trustees, key management personnel are considered to be the Director, Deputy Director, Director of Development, Head of Collections and Exhibitions, Head of Learning and Head of Marketing & Communications. The total amount paid to these key management personnel in the year (including employer's pension contributions) was £323,359 (2023: £307,839).

**TOWNER**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2024**

**11. COMPARATIVES (PRIOR YEAR) FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	751,980	748,029	1,500,009
<b>Charitable activities</b>			
Secured funding EBC	413,880	-	413,880
Secured funding Arts Council England	365,962	-	365,962
Newhaven Creative	-	174,404	174,404
Learning activities and funding	111	146,238	146,349
Turner Prize funding	-	40,000	40,000
Eastbourne Alive funding	-	50,000	50,000
Exhibition & collection activities and exhibition funding	77,136	22,437	99,573
Memberships, Patrons and Director's Circle	96,003	-	96,003
Museums and Galleries Exhibitions Tax Relief	76,068		76,068
<b>Trading activities</b>			
Shop, café, cinema, venue hire & commercial events	510,419	4,980	515,399
Other income	71,104	-	71,104
<b>Total</b>	<b>2,362,663</b>	<b>1,186,087</b>	<b>3,548,751</b>

# TOWNER

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

	Unrestricted funds £	Restricted funds £	Total Funds £
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Fundraising and Supporters' Costs	173,524	-	173,524
Newhaven Creative	-	134,456	134,456
Learning activities	226,689	108,506	335,195
Turner Prize	44,648	49,409	94,058
Eastbourne Alive	22,661	19,853	42,514
Exhibition and collection activities	832,703	51,253	883,956
Travel and subsistence	7,446	-	7,446
<b>Trading activities</b>			
Shop, café, cinema, venue hire & commercial events	705,170	1,478	706,648
Other trading activities	1,325	-	1,325
<b>Total Expenditure</b>	<u>2,014,166</u>	<u>364,956</u>	<u>2,379,122</u>
<b>NET INCOME</b>	348,497	821,132	1,169,629
Transfers between funds	958,457	(958,457)	-
<b>Net movement in funds</b>	1,306,954	(137,325)	1,169,629
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>2,972,940</u>	<u>821,548</u>	<u>3,794,488</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,279,893</u>	<u>684,223</u>	<u>4,964,117</u>

These notes form part of the financial statements



## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 12. INTANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Computer software £
<b>COST</b>	
At 1 April 2023 and at 31 March 2024	15,345
<b>DEPRECIATION</b>	
At 1 April 2023	6,138
Charge for year	<u>3,069</u>
At 31 March 2024	9,207
<b>NET BOOK VALUE</b>	
At 31 March 2024	<u>6,138</u>
At 31 March 2023	9,207

#### 13. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Improvements to property £	Assets under construction £	Fixtures fittings and equipment £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2023	1,457,727	439,387	338,634	16,320	2,252,069
Additions	-	194,691	15,148	1,405	211,244
Irrecoverable VAT adjustment	(10,109)	-	-	-	(10,109)
Transfers	<u>529,393</u>	<u>(634,079)</u>	<u>104,686</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>1,977,011</u>	<u>-</u>	<u>458,468</u>	<u>17,725</u>	<u>2,453,204</u>
<b>DEPRECIATION</b>					
At 1 April 2023	70,888	-	97,275	15,375	183,537
Charge for year	66,513	43,468	39,924	995	150,899
Transfers	<u>26,470</u>	<u>(43,468)</u>	<u>16,998</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>163,870</u>	<u>-</u>	<u>154,197</u>	<u>16,370</u>	<u>334,437</u>
<b>NET BOOK VALUE</b>					
At 31 March 2024	<u>1,813,141</u>	<u>-</u>	<u>304,271</u>	<u>1,355</u>	<u>2,118,767</u>
At 31 March 2023	<u>1,386,840</u>	<u>439,387</u>	<u>241,359</u>	<u>945</u>	<u>2,068,531</u>

Improvements to property comprise the construction of Towner's cinema in 2017, the cost of the ground floor development project completed in early 22/23 and the cost of the café redevelopment completed in early 23/24, the latter transferred from assets in construction this year (the FFE element being transferred from assets in construction to that heading).

These notes form part of the financial statements

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 14. HERITAGE ASSETS

	Total £
At 1 April 2023	1,860,062
Additions – donated (market value)	124,122
Additions – purchased (cost)	<u>81,017</u>
At 31 March 2024	<u>2,065,201</u>
<b>NET BOOK VALUE</b>	
At 31 March 2024	<u>2,065,201</u>
At 31 March 2023	<u>1,860,062</u>

#### 15. 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.

	2024 £	2023 £
Turnover	535,287	513,699
Expenditure	(457,493)	(522,594)
Profit(loss) for the year	77,794	(8,895)
Amount gift aided to the Charity in the year	-	-

The Assets and Liabilities of Towner Enterprises Ltd were:

Total assets	189,651	199,210
Total liabilities	(176,421)	(263,774)
Net assets	13,230	(64,564)
Represented by:		
Share capital and reserves	13,230	(64,564)

These notes form part of the financial statements

**TOWNER**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2024**

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

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Trade debtors	29,609	18,164	92,081	90,917
Amounts owed from subsidiary	-	138,043	-	227,244
Other debtors	285,043	281,999	198,391	197,841
VAT recoverable	-	-	24,602	24,602
Restricted funding due	32,857	32,857	-	-
Prepayments and accrued income	<u>23,399</u>	<u>20,675</u>	<u>185,828</u>	<u>185,502</u>
Total	370,909	491,739	500,901	726,105

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

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Trade creditors	29,125	18,542	151,267	135,322
Other creditors	979	-	117	-
Tax & social security	28,600	12,730	14,912	-
Accruals and deferred income	<u>71,405</u>	<u>60,460</u>	<u>115,488</u>	<u>109,933</u>
Total	130,110	91,732	281,785	245,255

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 18. MOVEMENT IN FUNDS

	At 1/4/23	Net income	Transfers between funds	At 31/3/24
	£	£	£	£
<b>Unrestricted funds:</b>				
General fund	4,279,893	55,093	723,529	5,058,515
<b>Restricted funds:</b>				
Building development project (Phase 2 -cafe)	439,387	203,125	(642,512)	-
Collection acquisitions	18,429	77,000	(81,017)	14,412
Learning	71,843	(55,250)	10,000	26,593
Learning Appeals	-	-	-	-
Turner Prize	50,591	(40,591)	(10,000)	-
Eastbourne Alive	30,147	5,895	-	36,041
Exhibitions	14,596	12,332	-	26,929
Public Art Trail	-	-	-	-
Iniva	-	11,544	-	11,544
Newhaven Creative	52,731	(52,731)	-	-
Fundraising and Supporters' Costs	2,500	(2,500)	-	-
Fidelity (core costs)	-	86,607	-	86,607
Art Fund Reimagine	-	40,853	-	40,853
Funding of internships	-	-	-	-
Funding of book production	4,000	2,000	-	6,000
Cinema funding	-	-	-	-
Total restricted	684,224	288,284	(723,529)	248,978
Total Funds	4,964,117	343,376	-	5,307,493

The main transfer between funds represents the second floor café development project being completed in 23/24, moving to general use and so leaving restricted funds. Collection acquisitions are also deemed to leave the restricted acquisition fund once they are purchased (using restricted funds) and enter the general collection.

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 18 NET INCOME - DETAIL contd

	Incoming resources £	Resources expended £	Net income £
<b>Unrestricted funds:</b>			
General fund	2,351,328	(2,296,235)	55,093
<b>Restricted funds:</b>			
Building development project (Phase 2 -cafe)	203,125	-	203,125
Collection acquisitions	77,000	-	77,000
Learning	38,750	(94,000)	(55,250)
Learning Appeals	16,331	(16,331)	-
Turner Prize	35,907	(76,498)	(40,591)
Eastbourne Alive	511,915	(506,020)	5,895
Exhibitions	42,345	(30,013)	12,332
Public Art Trail;	65,587	(65,587)	-
Iniva	25,750	(14,207)	11,544
Newhaven Creative	151,703	(204,434)	(52,731)
Fundraising and Supporters' Costs	-	(2,500)	(2,500)
Fidelity (core costs)	97,090	(10,483)	86,607
Art Fund Reimagine	43,200	(2,347)	40,853
Funding of internships	3,300	(3,300)	-
Funding of book production	2,000	-	2,000
Cinema funding	600	(600)	-
Total restricted	1,314,603	(1,026,319)	288,284
Total Funds	3,665,931	(3,322,554)	343,376

These notes form part of the financial statements

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 19. MOVEMENT IN FUNDS – PRIOR YEAR COMPARATIVE

	At 1/4/22	Net income	Transfers between funds	At 31/3/23
	£	£	£	£
<b>Unrestricted funds:</b>				
General fund	2,972,940	348,497	958,457	4,279,893
<b>Restricted funds:</b>				
Building development project (Phase 1 -ground floor)	628,928	426,748	(1,055,676)	-
Building development project (Phase 2 -cafe)	2,000	283,573	153,814	439,387
Building development project (office upgrade)	-	16,715	(16,715)	-
Collection acquisitions	41,309	17,000	(39,880)	18,429
Learning	43,614	28,229	-	71,843
Turner Prize	-	591	50,000	50,591
Eastbourne Alive	-	30,147	-	30,147
Exhibitions	92,915	(28,319)	(50,000)	14,596
Collection Curation – Kickstart	-	-	-	-
Iniva	-	-	-	-
Newhaven Creative	12,783	39,948	-	52,731
Fundraising and Supporters' Costs	-	2,500	-	2,500
Kickstart (core costs)	-	-	-	-
Other	-	4,000	-	4,000
Total restricted	821,548	821,132	(958,457)	684,223
Total Funds	3,794,488	1,169,629	-	4,964,117

The main transfer between funds represents the Ground Floor Development project being completed in 22/23, moving to general use and so leaving restricted funds. The top floor café project was funded in arrears against invoices paid and so shows temporary funding from unrestricted funds as at the year end. The top floor cafe project was completed in 23/24. £50,000 funding received in advance for the Turner Prize in 21/22 has been reallocated from Exhibitions as the Turner Prize is now shown separately. Unrestricted reserves include £215,000 designated to Emerging Artists' expenditure and new staff positions.

## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

#### 19 NET INCOME - DETAIL contd

	Incoming resources £	Resources expended £	Net income £
<b>Unrestricted funds:</b>			
General fund	2,362,663	(2,014,166)	348,497
<b>Restricted funds:</b>			
Building development project (Phase 1 - ground floor)	426,748	-	426,748
Building development project (Phase 2 -cafe)	283,753	-	283,753
Building development project (office upgrade)	16,715	-	16,715
Collection acquisitions	17,000	-	17,000
Learning	136,238	(108,008)	28,229
Turner Prize	50,000	(49,409)	591
Eastbourne Alive	50,000	(19,853)	30,147
Exhibitions	4,250	(32,569)	(28,319)
Collection Curation – Kickstart	6,437	(6,437)	-
Iniva	11,750	(11,750)	-
Newhaven Creative	174,404	(134,456)	39,948
Fundraising and Supporters' Costs	2,500	-	2,500
Kickstart (core costs)	1,493	(1,493)	-
Other	4,980	(980)	4,000
Total restricted	1,186,087	(364,956)	821,132
Total Funds	3,548,751	(2,379,122)	1,169,629

These notes form part of the financial statements

## **TOWNER**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024**

#### **20. EMPLOYEE BENEFIT OBLIGATIONS**

For staff who transferred from the Eastbourne Borough Council in 2014, 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 2023. Under an agreement with Eastbourne 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.

#### **21. RELATED PARTY DISCLOSURES**

Towner employed the services of King & McGaw Ltd, the value of the work carried out totalled £23,120 (2023: £18,160) and received commercial sponsorship of £50,000 (2023: £25,000). King and McGaw is a company owned by Mr G King, a Trustee of Towner.

#### **22. 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.

#### **23. POST BALANCE SHEET EVENTS**

In late August 2024, the senior team were informed that Eastbourne Borough Council will be applying a £100,000 cut to their funding of Towner in the current financial year (24/25) with immediate effect, along with a possible further cut coming in the next financial year. This is a result of the growing homeless crisis in the town and the pressure this is putting on the Council's budget. There is currently no decision on the future funding level, so the current income diversification programme will be accelerated, and a full review of free (unticketed) activity will take place, alongside a full review of all expenditure. In addition, we will be accelerating the installation of solar panels to reduce energy costs.