

# WORTHING THEATRES & MUSEUM

England & Wales · Charity number 1185189

## Details

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**Status** Registered

**Legal form** CIO

**Registered** 2019-09-05

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

## Contact

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**Address** Connaught Theatre  
Union Place  
Worthing  
BN11 1LG

**Phone** 01903947500

**Email** [hello@wtm.uk](mailto:hello@wtm.uk)

**Website** <https://www.wtm.uk>

## Activities

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**Objects:** 1. THE PROMOTION OF ARTS, PARTICULARLY BUT NOT EXCLUSIVELY, BY PROMOTING AND FACILITATING ACCESS TO PERFORMANCES OF THEATRE AND DRAMATIC ARTS, AND OTHER CULTURAL ACTIVITIES.2. THE ADVANCEMENT OF EDUCATION, PARTICULARLY BUT NOT EXCLUSIVELY, IN RELATION TO THEATRE, DRAMATIC ARTS AND THE PRESERVATION OF IMPORTANT HISTORICAL COLLECTIONS OF DECORATIVE ARTS AND CLOTHING WITHIN A MUSEUM.3. TO PROMOTE SOCIAL INCLUSION THROUGH THEATRE AND DRAMATIC ARTS, AND OTHER CULTURAL ACTIVITIES BY PREVENTING PEOPLE FROM BECOMING SOCIALLY EXCLUDED, RELIEVING THE NEEDS OF PEOPLE WHO ARE SOCIALLY EXCLUDED AND ASSISTING THEM TO INTEGRATE INTO SOCIETY.FOR THE PURPOSE OF THIS CLAUSE 'SOCIALLY EXCLUDED' MEANS BEING EXCLUDED FROM SOCIETY, OR PARTS OF SOCIETY, AS A RESULT OF ONE OR MORE OF THE FOLLOWING FACTORS:UNEMPLOYMENT, FINANCIAL HARDSHIP; YOUTH OR OLD AGE; ILL HEALTH (PHYSICAL OR MENTAL); DISCRIMINATION ON THE GROUNDS OF SEX, RACE, DISABILITY, ETHNIC ORIGIN, RELIGION, BELIEF, CREED, SEXUAL ORIENTATION OR GENDER RE-ASSIGNMENT; POOR EDUCATION OR SKILLS ATTAINMENT.4. TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES AND CULTURAL EVENTS IN THE INTERESTS OF SOCIAL WELFARE AND TO ADVANCE PUBLIC PARTICIPATION AND ENGAGEMENT WITH ARTS AND CULTURE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION BY INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF YOUTH, AGE, INFIRMITY, OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.

**Activities:** Worthing Theatres and Museum promotes arts and heritage, cultural events, the advancement of education and social inclusion in Worthing . The four venues we run are the Connaught Theatre and Studio, Pavilion Theatre, Assembly Hall and Worthing Museum and Art Gallery.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

## Geography

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- West Sussex

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,769,208	£5,795,295	£1,266,189	69
2024-03-31	£5,131,054	£5,122,184	£1,292,276	69
2023-03-31	£4,728,543	£4,942,544	£1,283,406	67
2022-03-31	£4,346,325	£4,002,862	£469,407	51
2021-03-31	£2,828,970	£2,419,075	£45,944	42

## Trustees

Name	Role	Appointed
<b>James Peter Turnbull</b>	Chair	2024-09-01
ANDREAS SPARSIS		2023-05-19
Cepta Kelly		2019-09-05
David Christopher Stewart Clark		2026-06-08
Helen Persson Swain		2020-02-13
Jane Sylvia Lodge		2024-09-01
Louise Burgess		2019-09-05
Lydia Cassidy		2023-05-18
Michael Desmond Pailthorpe		2024-09-01
Michelle Kirk		2026-06-08
Rebecca Louise Wakeford		2024-09-01
Samuel Alexander Fisher		2026-06-08
Simon Kenneth Parsonage		2019-09-05

**WORTHING THEATRES & MUSEUM**

England & Wales - Charity number 1185189

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# Accounts

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worthing theatres and museum

Registered Charity Number: 1185189

# **WORTHING THEATRES & MUSEUM**

## **TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025**

# WORTHING THEATRES & MUSEUM

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## **CHARITY INFORMATION**

**For the year ended 31<sup>st</sup> March 2025**

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### **Reference and administrative details**

#### **Trustees**

O Mokuolu (Chair)	(Chair from 11 October 2024)
S B Marshall	(Acting Chair 12 June 2024 - 10 October 2024)
P Cadwallader	(Chair until 11 June 2024 - Resigned from Board 12 June 2024)
L Burgess	
L Cassidy	
A S Comben	(Resigned 26 July 2024)
C Kelly	
J S Lodge	(Appointed 01 September 2024)
M D Pailthorpe	(Appointed 01 September 2024)
S K Parsonage	
H Persson Swain	
A Sparsis	
M L Stoddart	(Appointed 01 September 2024)
J P Turnbull	(Appointed 01 September 2024)
R L Wakeford	(Appointed 01 September 2024)
N Wood	(Appointed 01 September 2024)

#### **Executive and Senior Management**

Current officers and those who served during the period are as follows:

##### **Executive Team:**

Amanda O'Reilly	Creative Director & CEO
Jill Stewart	Executive Director (Company Secretary)

##### **Senior Management Team:**

Bernard Dodds	Director of Finance & IT
Kevin Quilty	Director of Marketing & Sales
Gerry Connolly	Head of Museum & Exhibitions
Gemma Curtis	Head of Programming
Rachel Madden-Ward	Head of Customer Experience
Matt Pike	Head of Technical & Production
Michael Harbour	Head of Buildings & Sustainability
Andrew Whitlaw	Head of Development (appointed November 2024)

**Charity Registered number:**

1185189

**Principal Office:**

Connaught Theatre  
Union Place  
Worthing  
BN11 1LG

**Secretary:**

J Stewart

**Auditors:**

HaysMac LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Principal Bankers:**

Barclays Bank  
1 Chapel Road  
Worthing  
BN11 1EX

The Trustees present their annual report together with the audited financial statements of the Charity for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.

## **Foreword by Yemisi Mokuolu, Chair**

It's a real honour to step into the role of Chair of the Board of Trustees at Worthing Theatres and Museum. Over the past year, I've seen first-hand just how much WTM brings to Worthing. Through our shows, cinema, exhibitions and events, we create spaces where everyone can connect, be inspired and feel at home.

The Museum's temporary closure for the Heat Network installation at the end of March 2025 has left a noticeable gap - but I'm genuinely excited about what's ahead. This project puts us several years ahead of our environmental targets, and when we reopen in early 2026, we'll be unveiling some fantastic new displays.

A huge thank you to Worthing Borough Council for their ongoing support, and to our incredible staff, volunteers, Trustees and Executive team, Amanda O'Reilly and Jill Stewart, for your passion and energy. Together, we're making a real difference to our community.

## **Executive Team Report**

Worthing Theatres & Museum is a resilient and ambitious charity that is passionately focused on delivering a creative cultural programme. We are connected to the people of Worthing, constantly seeking and listening to feedback, supporting and stimulating local creatives, actively committing to work that represents all sections of our community and providing inspirational experiences and a huge amount of fun.

WTM has now returned to pre-pandemic attendance numbers both in ticket sales and museum footfall. We celebrate that success and appreciate the dedication of the team (staff, Trustees and volunteers), however the challenges continue:

- Costs have escalated particularly for staffing, energy, insurance and technical infrastructure all of which have outpaced any income growth.
- The cost of living crisis has prevented us from being able to increase ticket prices to cover the increased costs and also resulted in customers buying tickets later than ever, reducing financial certainty.
- In line with national trends, we have increased the range of the cultural offer and maximised sales by producing a programme that is heavily reliant on one-night events with fewer week long runs. This puts additional pressure on staff and resources.
- The venues are ageing and much of the equipment is reaching end of life which puts additional pressure on the charity to maintain the buildings and fund replacement equipment simply in order to keep operational.

- Local authorities are key to the survival of theatres and museums across the country and the shift in priorities and focus on devolution creates a further challenge. Worthing Borough Council is struggling financially and has had to reduce investment across the board even if this reduces the wellbeing, civic pride and creativity that a rich and varied cultural offer provides for a place and its community.

Despite these challenges, WTM remains positive and determined to continue to provide an incredible cultural offer. This will require a shift in approach and a need for us to focus on the more commercial areas of the business - maximising the ways we can utilise the buildings to increase income, working with a leading theatre industry company (TRG Arts) specialising in audience and ticket sales development to increase ticket revenue and patron loyalty, and improving our bars to give a better, faster customer experience that will increase the secondary spend income without excessively increasing prices.

The installation of the heat network across the buildings is an incredible piece of work and a credit to Worthing Borough Council. It is challenging, whilst the works are happening, but the environmental results will be considerable and, given time, the costs of energy should reduce to below current levels.

At the end of 2024/25 we closed the Museum for the heat network installation and took the bold decision to reimagine the displays and improve the customer experience adding new lighting, uncovering the beautiful original floors and most importantly significantly increasing the percentage of the collections on display. We are grateful to the funders; Arts Council England (ACE) - Project Grant, National Lottery Heritage Fund (NLHF), Museum Development South East (MDSE) and Chalk Cliff Trust, who were able to support us at very short notice. Watch this space, it will be wonderful.

**Amanda O'Reilly, Creative Director & CEO**

**Jill Stewart, Executive Director (Company Secretary)**

## Acknowledgments

We extend our deepest thanks to everyone who has supported us over the past year. Your contributions have been vital in helping us preserve and promote the rich cultural and heritage life of Worthing.

With special thanks to:

**Worthing Borough Council** for their continued financial support and collaborative partnership, which remain central to our work.

**Our Patrons, Members and Donors.** Your generosity and commitment make our work possible. Thank you for your steadfast support throughout the year.

**The following trusts, foundations and statutory organisations** whose funding and encouragement have made key projects and initiatives possible:

- Adur & Worthing Councils – Warm Welcome Spaces
- Arts Council England
- Chalk Cliff Trust
- David Hunt Trust
- Headley Trust
- Ian Askew Charitable Trust
- Museum Development South East
- National Lottery Heritage Fund
- South Downs National Park Authority
- South Downs National Park Trust
- Theatres Trust
- West Sussex County Council – Holiday Activities and Food Scheme
- Worthing Lions

**Our corporate partners and sponsors**, whose support helps us reach wider audiences and increase our impact:

- Worthing Audi
- Jones Coffee Company

Together, you help us nurture creativity and champion culture in all its forms. We are truly grateful for your continued support.

**Worthing Theatres & Museum is a Registered Charity (No. 1185189). WTM became a Charitable Incorporated Organisation (CIO) (CE018745) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.**

## **Who We Are and What We Do**

Worthing Theatres & Museum (WTM) is a unique arts and heritage charity with a large portfolio of distinct venues all positioned within the heart of Worthing in West Sussex.

- Worthing Museum and Art Gallery
- Connaught Theatre (520 seats)
- Connaught Studio (164 seats)
- Pavilion Theatre (750 seats)
- Pavilion Atrium (creative space with option for 200 seats)
- Assembly Hall (950 seats)

We are proud that in 2024/25 we welcomed 348,000 people across our venues and our outdoor and outreach events, including 76,000 visitors to the Museum.

Our ambitious cultural offer includes a vibrant and entertaining programme of performances (theatre, contemporary circus, dance, comedy, music, family theatre, talks), events, film, exhibitions and workshops.

We also manage a museum collection of national significance (historic dress, archaeology, fine art, toys), host the work of a diverse range of artists in our gallery spaces, present a free annual outdoor summer festival and collaborate with leading UK producing and touring companies.

We are a place-based cultural charity driving social, cultural and economic transformation across our communities. Collaboration and partnership are at the heart of everything we do. We provide a wide variety of opportunities for people to engage with the arts, culture and heritage which aids social cohesion, expands horizons and inspires creativity. Our work contributes to making Worthing and the surrounding areas a great place to live and work.

**Our Vision** is a community in which everyone's lives are enriched through vibrant, inspiring, creative arts and heritage.

**Our Mission** is to enable everyone to access arts and heritage by:

- |   |
|---|
| ★ Reaching out into communities, providing accessible pathways to experience creativity, actively contributing to their wellbeing and happiness |
| ★ Championing inclusion, supporting the creation and presentation of work that celebrates diversity   |
| ★ Creating aspirational opportunities for young people within the cultural industries   |

★ Delivering a year round, rich and diverse programme of cultural activity, creating shared experiences that inspire, challenge, educate and entertain
★ Developing opportunities and partnerships with artists and companies
★ Ensuring financial resilience and long term viability whilst providing best value
★ Promoting positive place making, providing social and economic impact

**Our Values:** In everything we do we will:

- Support and enhance the wellbeing of everyone we interact with
- Nurture a culture of collaboration, respect and integrity
- Listen and respond to our community and the sector
- Commit to inclusivity across all aspects of the charity
- Promote excellence
- Take responsibility for our environmental impact

Our charitable objectives provide a framework which helps guide and steer our organisation, ensuring that we champion equality, inclusivity and accessibility in all of our work -

**Promotion of Arts & Cultural Activities** - Providing and facilitating access for the community to enable engagement, participation and the promotion of theatre, the dramatic arts and cultural & heritage activities.

**Education** - Delivering an education programme, which informs the community of the rich, varied and important nature of their arts and heritage, including theatre, the dramatic arts, and the preservation of important historical collections of decorative arts & clothing.

**Social Inclusion** - Creating a safe and inclusive space for the community to come together to enjoy culture & heritage activities; encouraging and celebrating social integration, preventing people from becoming socially excluded, and relieving the needs of those who are socially excluded.

**Advancement of Participation & Engagement in the interest of Social Welfare** - Promoting, providing and assisting in the provision of facilities and an accessible and diverse programme of arts and heritage activities; advancing public participation and engagement with arts and culture.

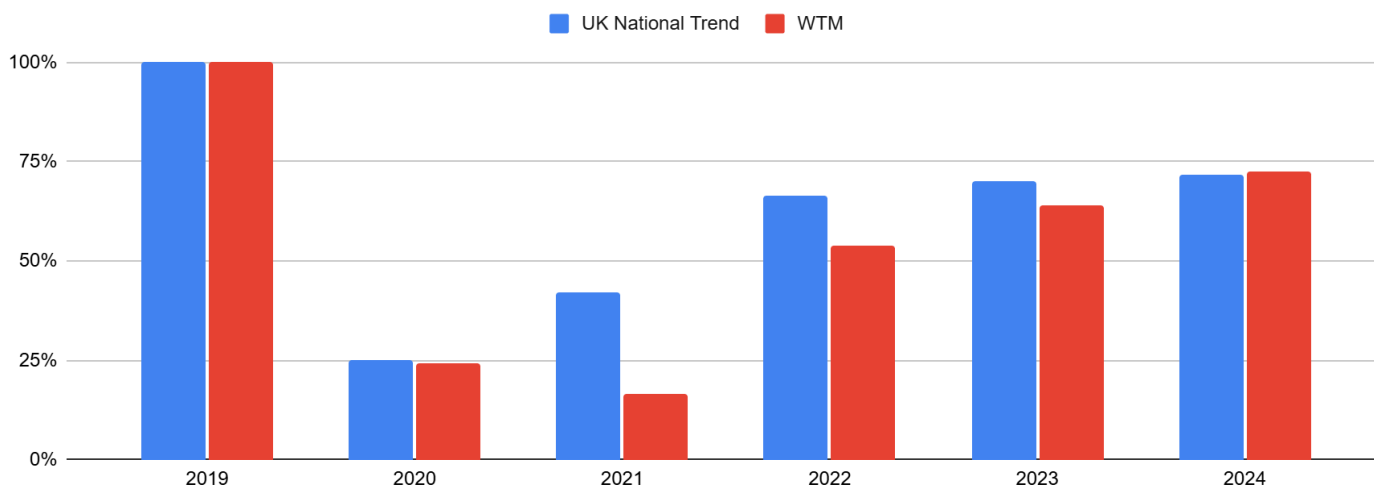
## Promotion of Arts & Cultural Activities

Welcoming over 272,000 attendees and over 76,000 museum visitors throughout 2024/25, an increase of 4.82% on the total engagement figures from last year, WTM has provided access for our community to a broad range of arts, heritage and cultural activities. With an offer that includes an

average of 14 different genres per season from big hitting commercial content to memory making quality performances, WTM caters for audiences from a wide variety of backgrounds and tastes including those less likely to participate in cultural activities on a regular basis, and has achieved 18.83% of our ticket buyers originating from segments defined as ‘less engaged’ (<https://audiencespectrum.org/en>).

With almost 2,800 film screenings, over 100 workshops, 57 panto performances, 14 guided walks, 391 live performances and 16 completely free outdoor events this year in addition to being custodians of a nationally important museum collection and curating eleven temporary exhibitions at the museum, the breadth and diversity of WTM’s programme aims to ensure all sections of our community are represented. As the attendance increases year on year, up 15.62% for live events and hires, compared with last year, and a 10.44% increase on total ticket sales, WTM’s reach and promotion of culture and arts continues to grow. Film audiences have overtaken the national average increases for the first time since the pandemic with 2024 audiences at 73% of 2019 compared to the national figure of 72%<sup>1</sup>

Film Audience Numbers as a percentage of 2019 (pre pandemic)



A creative cultural and heritage offer brings vibrancy and joy to a community, it gives the opportunity to share a collective experience with like minded people but also chances to reflect and consider alternative viewpoints. It is a crucial component of a cohesive and happy community. WTM delivers a year round, rich and diverse programme with 3,711 performances, events and activities that inspire, challenge, educate and most importantly entertain.

### The Feel Good Factor

With a total of 391 professional performances in 2024/25, selling over 94k tickets, the programme was curated to provide a top class cultural offer for our wide ranging audience. We continued to punch above our weight and attract the big names to WTM in a competitive South East bubble including Chichester Festival Theatre and Brighton Dome. It was undoubtedly the year of the feel good factor, with audiences keen to see comedians including Russell Kane, Ben Elton and Katherine Ryan, high quality music acts (original and non original), superb dance by Jasmin Vardimon

<sup>1</sup> WTM Film audiences compared to data from UK Cinemas Association <https://www.cinemauk.org.uk/the-industry/facts-and-figures/uk-cinema-admissions-and-box-office/annual-admissions/>

Company and familiar titles in theatre, including Cluedo 2, Black is the Color of My Voice, Oh What a Lovely War! and Dracula. For family audiences, the fabulous reimagining of children's classics The Lion Inside and Horrible Histories brought great pleasure to young audiences and their families.

## **Contemporary Circus**

The relaunch of Summer of Circus (SoC) was a highlight, cementing WTM as a leading UK organisation in the sector and attracting world-class, international performers from the enthralling experience of Brave Space by Chicago's Aloft Circus and Jess Loves's B.L.I.P.S. from Australia. We also supported the best UK circus artists including Ockham's Razor with their fantastic and acclaimed reimagining of the Thomas Hardy classic Tess. SoC is at the heart of the hugely popular summer outdoor programme which delights families, residents and visitors to Worthing with a joyful, high quality offer of accessible performances without the restriction of ticket prices or physically entering a venue. WTM partnered with Sussex based disability-led aerial dance company Gravity & Levity and hosted the European Aerial Dance Festival (EADF) for a fortnight in August, attracting participants from across Britain, Europe and beyond, as well as running a workshop for Worthing residents and a class for local charity Superstar Arts.

*"Finding a home for the EADF at Worthing Pavilion has been of huge benefit to us, both as a company and also as a community, allowing us to welcome aspiring and professional aerial artists from all over the world to gather, learn together and be beautifully held in this supportive, welcoming space.*

*It really is a joy to collaborate with a venue so invested in the outcome and one that enables us to hold a joyful and brave space for ourselves and other artists to continue to grow"*

Lindsey Butcher Artistic Director - Gravity & Levity

**We Are Here** - Aside from the commercial stream of the programme, we took bold decisions within programming, striving for new opportunities and putting our community at the heart of the creative programme. We actively seek work created and performed by creatives with protected characteristics with the intention to delight, challenge and inspire our audiences. We aim to make sure everyone in our community can see themselves represented on our stages and screens. This programme had 13 different productions in 2024, highlights included award-winning Laura Jane Murphy's A Spectacle of Herself, Joseph Toonga's Hip Hop Double Bill and After the Act, the latter being a collaboration with Brighton Dome.

**Film and Screen Arts** - Our film programming continued to expand in 2024/25 with 2,796 screenings over the year, of over 350 different films selling over 115k of tickets. We cover as many genres and types of films as we can to best cater for our community - from blockbusters to world cinema, from documentaries to classics. We work with community groups to screen films that wouldn't otherwise get shown and have had screenings by local filmmakers premiering their work. Audience interest in streamed theatre events has sustained and we continue to screen productions from the National Theatre, Royal Opera House and from around the world. We keep an open dialogue with Worthing audiences by engaging with customers at screenings and on our social media channels and many screenings are a response to customer requests.

**Support for Artists & Companies** -There is a huge demand for R&D space within the sector and WTM has supported six companies with a total of 83 days of rehearsal and development in 2024/5. Companies have included Worthing based theatre companies Dionysus and Conn Artists, award winning duo A+E Comedy and dance practitioner Jen Irons. All supported companies went on to tour, or are soon to be touring, work following their time in the venues.

We continue to partner with Lila Dance on the hugely popular bi-monthly professional dance classes in the Richmond Room.

*“As an artist, I've been extremely fortunate to find a partner in Worthing Theatres who not only supports my work, but truly understands the importance of art as a form of social engagement and change. As my hometown venue, they have been an essential part of my journey, offering unwavering support through every stage of my creative process from R&D, audience testing, and premiering Bad Immigrant”.*

Jennifer Irons

**Collections and Exhibitions** - Worthing Museum held 11 temporary exhibitions in addition to the permanent collections including Lost in Parys - an exhibition which invites the viewer to explore a landscape of love, grief and loss expressed through the work of artists Alison Lapper, Marc Quinn and Rankin.

Visitor numbers remain strong with over 76k people enjoying the talks, exhibitions and displays. Our curators supported the research of historians and students with 52 sessions booked in the Costume Research Centre. We also carefully selected 209 items which were added to the collections, most notably:

- An incomplete Medieval silver bar mount, c. 1100-1400 AD. Found by metal detectorist Tyndall Jones, donated to Worthing Museum. Declared Treasure by Sussex Finds Liaison Officer.
- A rare Boudoir Robe dress, to be worn over bustle while indoors. c1880
- Two dry-point etchings by Peon Boyle, local artist, of a 17th century bag from the collection commissioned through the Culture Recovery Fund.

*“The Edwardian exhibition is delightful. I am a newish resident of Worthing - 4 years. The museum is a jewel - a lovely place to visit. Thank you!”*

Museum visitor

Events in 2024/25



- Comedy
- Theatre
- Dance
- Circus
- Music
- Family
- Talks
- Cabaret/Other
- Outdoor (SoC)
- Exhibitions

**Education**

WTM’s work with both children and adults, providing education and access to learning has continued through 2024/25 despite the complexities of the Worthing Heat Network install beginning in February. We engaged with 85 schools, colleges and other educational establishments and over 10k pupils and students experienced our cultural and heritage offer.

Through Coast Ed, WTM’s schools engagement service (founded in 2014), eight distinct workshops are offered across Key Stages One and Two which offer young people the opportunity to experience

arts, heritage and culture in a participatory and exciting way. In 2024/25 we held 45 of these workshops, attended by 339 children.

With 14 guided walks, exploring the rich archaeological heritage of the South Downs, as well as 59 Museum workshops and talks delivering varied and rewarding content to 1,145 adult attendees, and 52 Costume Centre bookings in 2024/25, WTM continues to provide brilliantly curated content for adults of all ages, skill or knowledge level.

## **Social Inclusion**

Social inclusion is at the heart of the work delivered by WTM and we have continued to ensure this is a key pillar of our programming and activities. We support people across our communities with over 1k free or low cost tickets to a range of events including our yearly pantomime, traditional theatre, and circus events. With help from our partners including Worthing Food Foundation, Storm, Safe in Sussex, and West Sussex Mind, a specific community performance of the panto was arranged in December 2024, issuing 341 tickets and enabling families and individuals who would ordinarily find it difficult to attend due to their personal circumstances, to enjoy a wonderful festive event, welcomed with mince pies and a hot drink for the adults and gifts of sweets for the children, without any additional societal or financial pressure.

Throughout the programme captioned, signed, dementia friendly, autism friendly, and relaxed performances are delivered, and a state of the art hearing loop has been installed across the venues, giving customers with access requirements different options and more agency over their own needs. In December 2024 a panto 'touch tour' was introduced for our visually impaired customers. We will be expanding on this to add in audio descriptive performances, enabling more engagement with this portion of our community.

## **Serving Our Community**

Community is central to everything we do, we are proud to serve this community and determined to actively contribute to the wellbeing and happiness of the people of Worthing, building civic pride, inspiring creativity and bringing people together.

## **A Community in which everyone's lives are enriched through vibrant, inspiring, creative arts and heritage**

### **Some key facts & stats from 2024/25...**

#### **Creative Community**

- 23% of our live performance programme is local community use
- 5,488 local people performed on our stages
- 26 local artists and makers exhibited
- 6 professional Sussex based cultural companies performed
- 104 workshops attended by 427 people

### **Supporting those in Need**

- Working with our key partner organisations including Worthing Food Foundation, Storm, Safe in Sussex, and West Sussex Mind to invite people to our free preview pantomime performance with complimentary goody bags, hot drinks and mince pies.
- 1,135 free or subsidised tickets.
- 6 weeks of Warm Spaces.
- 272 children attended free Holiday Activities Fund sessions enjoying show/film tickets, lunch, and workshops over the Easter, summer and winter holidays.
- Saturday Morning Pictures with family films for just £3.50 a ticket.
- Pantomime cast visiting the Chestnut Tree House Children's Hospice.
- 240 tickets for six schools involved in 50 Things To Do Before You're Eight.
- Free drop in family workshops during the holidays and craft activities every weekend at the Museum and a large scale free family circus fun day at the Pavilion in the summer.

### **Consultation and Feedback**

- Gratefully considered 3,951 pieces of feedback which led to the upgrading of the Assembly Hall PA system
- Post show survey score 4.5 / Trip Advisor score 4.3 / average Google score 4.4
- Access survey completed by 119 people
- Act Green survey completed by 96 people
- Our first staff survey had a 45% response rate

### **Positive Place Making**

- 16 free outdoor shows
- 14 Archaeological walks
- Attended Broadwater Family Fun Day and Durrington Festival

### **Young People**

- 10,788 young people had meaningful engagement with WTM including group bookings to performances and the Museum
- We engaged with 85 educational institutions who booked events or accessed our curriculum linked workshops
- Young people from the Sand Project redesigned the Number One dressing room at the Assembly Hall.
- We supported a technical apprenticeship, 2 work experience placements and an intern.

### **We are Here**

- We champion inclusion and support the creation and presentation of work that celebrates diversity and can be a catalyst for change, promoting understanding and empathy.
- 13 live events and 3 exhibitions that specifically celebrated diversity.
- Purposeful Panto casting that included global majorities, neurodiverse and LGBTQ+ performers.

- Captioned, signed, dementia friendly, autism friendly, and relaxed performances are delivered, and a state of the art hearing loop has been installed across the venues, giving customers with access requirements different options and more agency over their own requirements.

**WTM Proudly employs 128 wonderful people**  
**Thank you to our 79 local community volunteers - what a team!**

## **Advancement of Participation & Engagement**

As a place based cultural charity we pride ourselves on not only the programme and content we deliver to our community but how we engage and interact directly with our community. Our six distinct venues enable us to deliver a varied programme with multiple shows and events.

In 2024/25 almost 5,500 local residents performed on our stages, we facilitated 100 charity hires, with 26 local visual artists and makers represented, and staged six performances from local professional companies.

Our 79 volunteers are from the local community and benefit us greatly in their donation of time, energy and enthusiasm. We are pleased to be able to provide them with opportunities to further develop their skills, grow their confidence and gain experience across many areas of the organisation.

Through schemes such as HAF and Warm Spaces, the many accessible screenings and live performances we stage, as well as the wide breadth of the offer provided throughout our venues we have continued to promote and provide an accessible and diverse programme of arts and heritage activities and facilities for everyone to enjoy.

By ensuring there is a broad mix of entertainment, alongside more bespoke memory-making performances, we are proud that we have succeeded in reaching so many people in our community that come from 'less engaged' segments, averaging 18.83% of ticket buyers coming from these normally harder to reach parts of the community.

Our community partnerships continue to be one of the mainstays of the offer. In 2024/25 we were delighted to be able to work with a number of inspiring and important different partners, including the Worthing Society, Sussex Bay, the 50 Things Project, Sussex Blazing Saddles and the Worthing Archaeological Society across a range of arts, culture and heritage projects.

## **Investment in the Buildings and the Business**

WTM continues to invest in the buildings and the business to improve our customers' experience, support the artists and companies to give the best performance and to keep the business relevant and maximise commercial viability.

2024/25 was a year of Digital Transformation for WTM: we completed detailed procurement for a much needed new website which launched in June 2025, we installed an upgraded box office phone system, we launched Indigo Share for our post show surveys, switched our venue management system from Artifax to Yesplan and launched CrowdEngage to provide pre- show emails, mobile ticketing, pre- show and interval interval drink orders, donations, and digital membership.

A new IT Network infrastructure was installed across all of the venues at the end of 2024/25.

A replacement PA System for the Assembly Hall will be installed in 2025/26, vastly improving the acoustics for live music in this venue.

We continued to improve the buildings, decorating the Pavilion auditorium, finally refurbishing the male washrooms at the Assembly Hall, taking it from our worst facility to our best. Actions continue to carry out repairs and decorative improvements, ensuring functionality of sanitary equipment.

Access improvements continue to be an absolute priority. In 2024/25 we completed the installation of fabulous cutting edge hearing loops in the Connaught Main House and Studio. A ramp for access customers allowing access to the front stalls in the Pavilion will be installed in 2025/26.

Worthing Borough Council replaced the Connaught Studio roof so happily there are no more water buckets in the loft space, completed the external painting of the Pavilion Theatre which looks beautiful and began work in preparation for the installation of the Heat Network.

## **Make our Theatres and Museum Green**

The Act Green Report which asked cultural audiences their views on climate change reported that 87% of audiences are worried about climate change and 93% had made changes to their lifestyle.

77% of audiences believe theatres have a responsibility to influence society to make radical changes to address the climate emergency.

WTM's Environmental Policy and Action Plan has a series of measurable goals: reduce gas, electricity and water usage by 10%, and improve recycling by 25%.

WTM is working closely with WBC on the preparation for the installation of the heat network across all the buildings in the cultural portfolio. This work began at the very end of 2024/25 and should be completed by April 2026, reducing our carbon emissions from gas by up to 80%.

In addition to this large scale project our venues are also to benefit from significant thermal improvements to the exterior of the buildings such as secondary glazing, double glazing and other fabric insulation works. This will result in a reduction in energy use and support the heat network installations. This work is in progress with most venues due to be completed by 1st October 2025, and the Pavilion completed during 2026.

A significant LED lighting replacement project is in progress to exchange the stage lighting at the Assembly Hall to LED before the Autumn of 2025.

Our new IT provider has carbon balanced their energy emissions within WTM by financing the planting of a respective volume of trees.

WTM's recycling rate has remained steady throughout the year with an average of 60% recycling. None of our domestic waste goes to landfill, and is instead burnt as energy.

We have just commenced food recycling separate from other forms of waste, and hope to reduce our domestic waste further as a result.

## Marketing & Audience Development

WTM's audience attendance was 17% above the national average for similar venues (Purple Seven), driven by a customer-first approach. Improvements to our website and targeted messages ensured that communications reflected the audience's needs and their relationship with WTM, rather than our organisational assumptions. This shift made it easier for audiences to engage and contributed significantly to our growth.

Our digital transformation in marketing and sales was shaped by a detailed system health check, working collaboratively with our ticketing platform partner. This positioned our ticketing platform as the core source of audience insight. This has enabled smarter segmentation and a more joined-up omnichannel approach, helping us reach new communities and expand our geographical catchment. Data-led decisions are strengthening audience loyalty and driving more meaningful connections across channels.

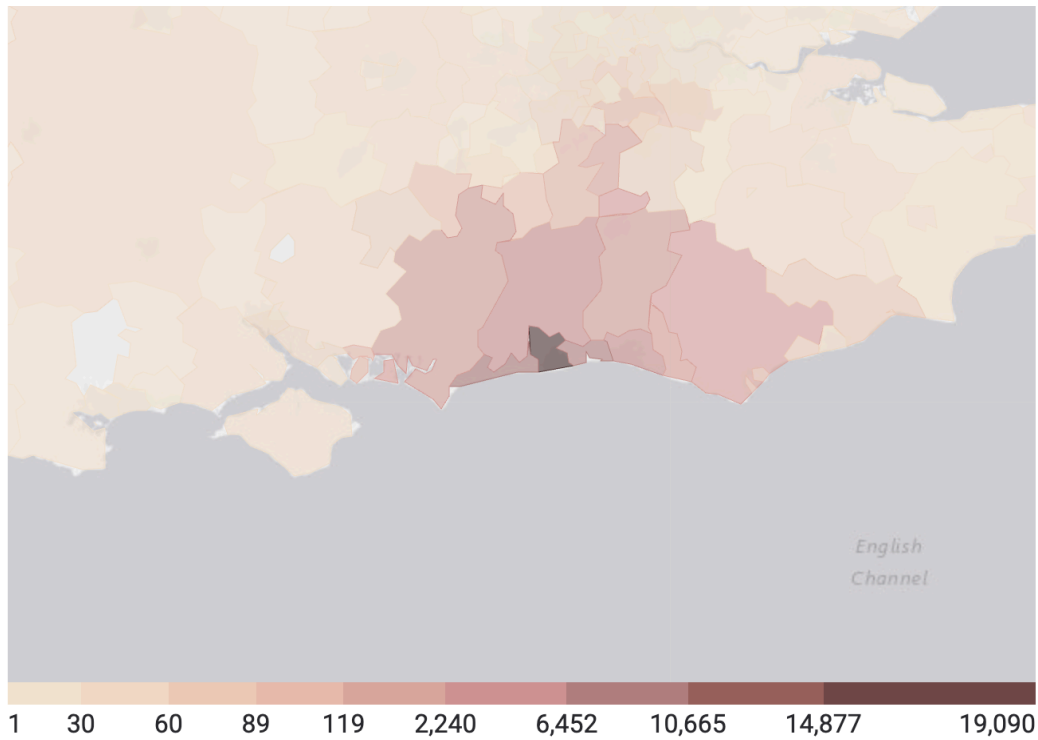
In 2024/25, WTM welcomed **247,418 attendees** (ticketed) across our venues – a **11.4% increase** on the previous year. Audiences continue to be strongest from Worthing and Adur, with **18,375 bookers from Worthing** (32%) and **7,134 from Adur** (12%).

We were proud to see:

- **49.6%** of bookers visiting for the first time
- An average booker travelled a distance of **10.8km** for film, increasing to **18km** for live events
- **25,510 tickets sold for under 18s**, reflecting growing engagement with families and schools

Our digital engagement remained strong:

- **5.85M website views**, with a **74% engagement rate**
- **4.2M emails sent** (+18% YoY)
- **12M impressions** and **3.9M post reach** across social media, with **56,366 followers**



Our audiences continue to be strongest within 3.5 km of Worthing town centre, with an extended reach across West Sussex, Brighton & Hove, and Hampshire.

Looking forward, we are working in partnership with TRG Arts on a new strategy to grow our audience. This project will support:

- Data-led segmentation to improve retention and loyalty to increase Patron Lifetime income.
- Development of new pricing models and loyalty offers, including refining our membership and patron schemes and the introduction of an Annual WTM Film Pass.

## Financial Overview

Worthing Theatres & Museum (WTM) finished 2024/25 with a small surplus of £8,790 after reserves movements compared to a £1,471 budget.

A significant increase in income for theatre related charitable activities (£490k or 18.52% more than 2023/24) largely offset the expected reduced Council Service Fee (£23k, a 1.65% reduction on 2024) as well as increased direct, overhead and staff costs.

Restricted grants and donations increased by 21% compared to 2023/24 despite the landscape for grants and donations being as challenging as ever.

Major fixed assets purchased during the year included the refurbished the male toilets in the Assembly Hall (£35k) and also a new IT Network infrastructure (£63k as at 31st March 2025). This increased our fixed asset net book value from £402k (2023/24) to £466k (2024/25), after allowing for depreciation.

We moved £43k from our depreciation reserve to cover depreciation on assets purchased before March 2024, and also spent £22k of the total £48k Website reserve for our new website which was launched in May 2025. Apart from these movements, the designated reserves remained largely unchanged.

## **Income and Expenditure**

Our total unrestricted income for the year was £5,604k and our total unrestricted expenditure for the year was £5,663k leading to a deficit of £59k. After transferring a budgeted £68k from specific designated funds, we ended up with an operating surplus of £8,790 compared to our budget for the year of £1,470. We received £224k of ticket levy income in 2024/25 but offset this against appropriate expenditure within the year meaning our Restoration Levy Reserve remained unchanged from the end of 2023/24.

The Council Service Fee made up a lesser proportion of our operating income (25% compared to 28.5% in 2023/24).

## **Economic Impact<sup>2</sup>**

Alongside the educational, social and wellbeing benefits of Worthing's thriving cultural offer resulting from WTM, the economic impact delivered by its venues provides a return on Worthing Borough Council's investment of £8.35 for every £1 invested by the Council, an increase on the previous year (2023/24 £7.10/£1 invested).

WTM's economic impact continues to grow significantly year on year and is up by almost 16% on 2023/24: the total value of WTM to the local economy can be estimated at £11,695,634, an increase of £1,594,234 on 2023/24 (£10,101,400).

## **Commercial Activity**

The Trustees, Directors and Exec identified at their Away Day in February 2025 the need for WTM to diversify its income in order for the charity to rely less on the service payment from the local Council.

An ambitious commercial strategy to drive growth and increase profitability is being developed to maximise the potential of WTM's multiple commercial revenue streams, identifying new market opportunities and diversifying the income streams to ensure that WTM achieves its significant financial targets. This includes the development and implementation of a venue hire strategy, diversifying the income strands, and strategic development of the bars and concessions across the portfolio of the venues.

## **Audience Growth Strategy**

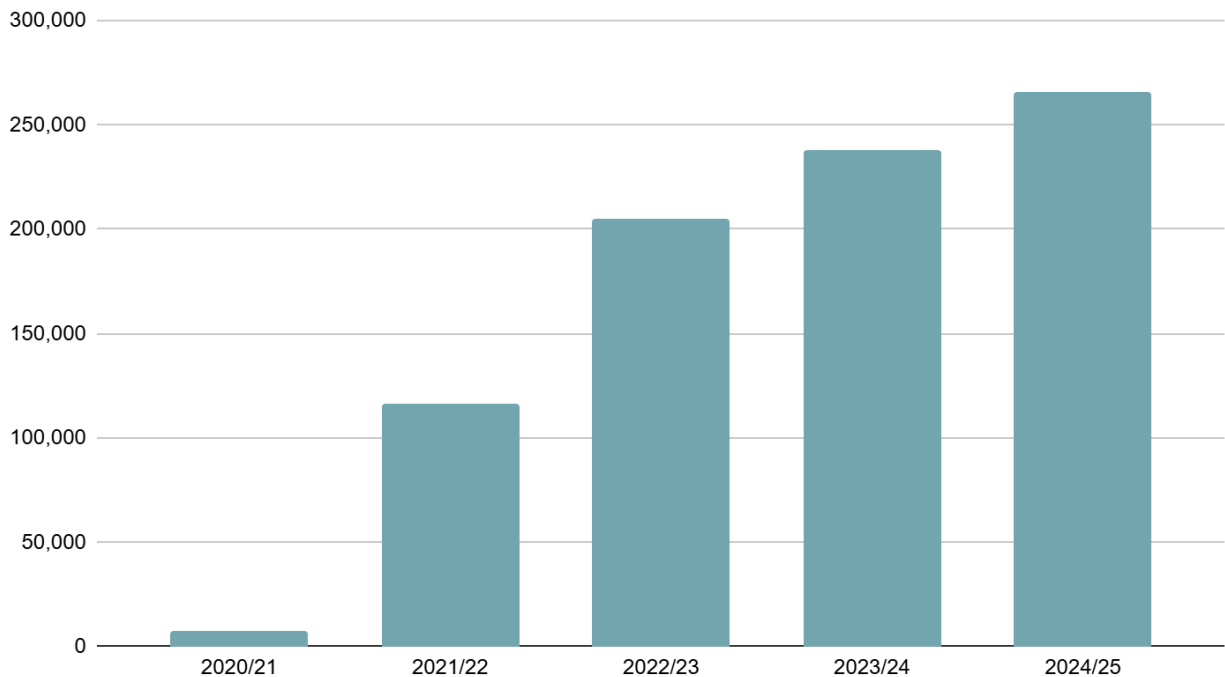
Post pandemic ticket sales continue to grow at a steady rate.

In 2025/26 we will be working in partnership with TRG Arts on a new strategy to grow our audience. This project will support increasing Patron Lifetime income, and will develop new pricing models and loyalty offers.

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<sup>2</sup> Data from Worthing Theatres & Museum High Level Economic Impact Study 2024/25 by Blue Sail

## WTM Ticket Sales



## Fundraising & Development

Despite a difficult external climate, marked by increased competition and dwindling funding streams, and with many trusts and foundations spending out and closing down, the year saw significant progress in our development work. With success rates falling well below 5%, our small team has nevertheless remained focused, agile and ambitious in our response.

We ended the year with just under £60k in core/unrestricted income, achieving 74% of our target. Most donations came from visitors to the Museum, reflecting strong community engagement and continued public generosity. Membership income also exceeded expectations and remains one of our most stable and promising income streams, supported by the successful launch of a refreshed brochure in February.

A key milestone was the appointment of a permanent Head of Development in November 2024, bringing new clarity and energy to the team.

For Creative Projects, we raised just under £70k, with four of six major Museum decant bids awarded. Although a small number of high-profile bids were unsuccessful, thus highlighting the current challenging funding landscape, we have established a robust pipeline and are actively scheduling new applications, including an ACE Project Grant application to support the future development of our contemporary circus programme.

Capital Improvement and Major Capital income plans remain in development, however solid groundwork has been laid for future bids.

We have also made good progress with our charity messaging but still have to shift focus away from general awareness to impact-led storytelling; this will help our audiences and stakeholders better

understand the social value of our work. Cross-department collaboration has also improved significantly through regular planning meetings and shared project ownership.

Looking ahead, we will focus on growing individual giving, expanding sponsorship opportunities, embedding core costs into more bids, and refining how we communicate our charitable impact. This will ensure we remain resilient and mission-led in a rapidly evolving funding landscape.

## Restricted Funds

Restricted funds received and spent are not included in the above figures.

In 2024/25 we received £165k of restricted grants and donations (2023/24 in £137k). It's worth noting, however, that £82k of this amount was for Google Ads (£49k in 2023/24) so the restricted grants and donations, not including the amount from Google, decreased slightly from £87k in 2023/24 to £83k in 2024/25.

A detailed statement of the restricted grants and donations can be seen in note 20.

## Cashflow

We continue to benefit from a healthy cashflow with £2.0M in the bank as at 31st March 2025 (£2.7M on 31st March 2024). The main reason for this difference is the six-monthly council service fee was received on 1st April 2025 (£798k including VAT), whereas the year before it was received on 31st March 2024.

A significant amount of this bank balance is made up of advanced ticket income of £795k (up from £632k on 31st March 2024).

## Local Authority Funding

We are grateful to Worthing Borough Council (WBC) for their continued financial support in 2024/25:

- **Council Service Fee** - our contracted service fee from the Council to deliver the services required under the Management Agreement between WBC and WTM.
- **Business Rates Charitable Relief** - As a charity, we automatically benefit from an 80% reduction of our Business Rates:
- **Discretionary Business Rates Relief** - we also qualified for further discretionary relief for some of our buildings equating to the following, in addition to the standard **80%** charitable relief:
  - Pavilion Theatre, Connaught Theatre & Studio - **10%** (**90%** relief in total)
  - Assembly Hall - **15%** (**95%** relief in total)
  - Museum and South Chapel Store - **20%** (**100%** relief in total)

## Reserves

We group our designated reserves into two categories:

- **Committed Expenditure Reserve** includes designated reserves that have been committed or earmarked for specific spend. We also include the Restoration Levy Fund here as it is earmarked for the upkeep and improvement of our business-critical equipment and furniture, and also creative projects. We moved our new website reserve to our Committed Expenditure Reserve in 2024/25 and spent £22,440 - the new website was launched in May 2025. The only other movement in these reserves was £43k from our depreciation reserve to cover depreciation on assets purchased before March 2024.
- **Key Risks & Uncommitted Expenditure Reserve** includes designated funds for more general risks and unforeseen circumstances. The only significant change to these reserves in 2024/25 was the movement of the new website reserve (£48k) to the Committed Expenditure Reserve (see above).

Our Unrestricted Free Reserves have been increased by our operational surplus of £8,790 to £135k at 31st March 2025 (£126k as at 31st March 2024).

The Reserve for the Future Depreciation of Fixed Assets (purchased prior to 31st March 2024) of £345k will be used over seven to ten years, in line with the expected life span of the various fixed assets being depreciated.

The Restoration Levy Fund (£345k) is earmarked for business-critical equipment & furniture and creative projects in the future.

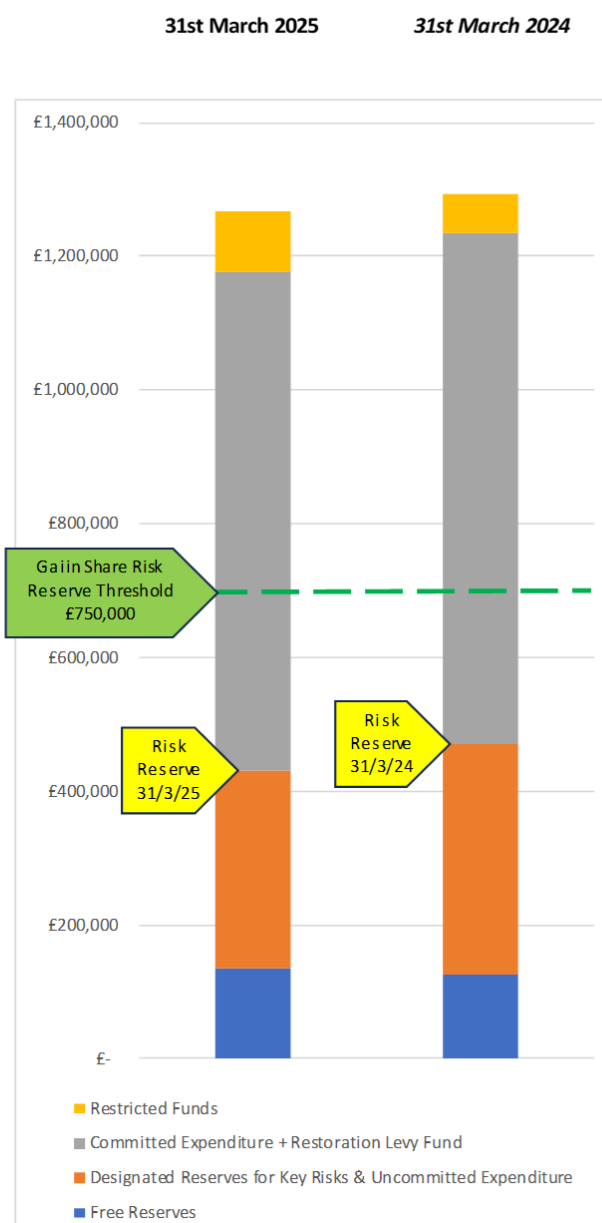
The other designated reserves totalling £297k are not earmarked for immediate use, but we feel it is prudent to build these up to cover the eventual inevitable replacement of furniture & equipment and unforeseen circumstances. They include the Ticket Income Reserve (£115k) which is to offset significant failure of ticket income, the financial impact of cancellation of performances and productions or increased costs. Combining these with our accumulated free reserves of £135k leads to a total of £432k, which is a significant amount towards our uncommitted reserves target of £750k but still leaves a remaining target of £318k for us to aim to build up at every opportunity in the coming years. We will also be reviewing the £750k target to take into account inflation and other increases in running costs.

## Gain Share Agreement

We have a gain share agreement with WBC whereby our annual Service Fee is reduced in the next service fee instalment payment by their share of any trading surplus (as defined in the Management Agreement between WBC and WTM). The basis of calculation of the attributed value of the gain share is set out in the Agreement. All gains are retained by WTM until a "Risk Reserve" of £750k has been built up. Risk Reserves are made up of unrestricted free reserves together with reserves for Designated Key Risks & Uncommitted Expenditure which total £432k as at 31st March 2025.

# WTM Accumulative Reserves Analysis

		31st March 2025	31st March 2024
<b>Unrestricted Free Reserves</b>	<b>A</b>	<b>£ 134,594</b>	<b>£ 125,804</b>
<b>Designated Reserves for Key Risks &amp; Uncommitted Expenditure</b>			
Ticket Income Reserve	£	115,000	£ 115,000
New Equipment	£	74,800	£ 74,800
Maintenance	£	50,000	£ 50,000
Insurance Claim Shortfall	£	12,000	£ 12,000
HR Reserve	£	12,000	£ 12,000
Pension Strain	£	20,000	£ 20,000
Buildings Access Improvements	£	13,540	£ 13,787
Essential Website Development	£	-	£ 48,000
<b>Sub-Total Designated Reserves for Key Risks &amp;</b>	<b>B</b>	<b>£ 297,340</b>	<b>£ 345,587</b>
<b>Sub-Total Risk Reserve (for Gain Share)</b>	<b>A+B</b>	<b>£ 431,934</b>	<b>£ 471,391</b>
<b>Committed Expenditure + Restoration Levy Fund</b>			
Restoration Levy Fund	£	344,641	£ 344,641
Future Depreciation of Fixed Assets	£	359,015	£ 401,647
Theatre Auditorium Seats	£	-	£ 2,714
Essential Website Development	£	25,560	£ -
Museum Cases	£	10,947	£ 10,947
Museum Lighting	£	4,000	£ 4,000
<b>Sub-Total Committed Expenditure + Restoration Levy Reserves</b>	<b>C</b>	<b>£ 744,163</b>	<b>£ 763,949</b>
<b>TOTAL Designated Funds</b>	<b>D (B+C)</b>	<b>£ 1,041,503</b>	<b>£ 1,109,536</b>
<b>General Funds</b>	<b>E (A+D)</b>	<b>£ 1,176,097</b>	<b>£ 1,235,340</b>
<b>Restricted Funds (See note 20)</b>	<b>F</b>	<b>£ 90,092</b>	<b>£ 56,935</b>
<b>TOTAL Funds</b>	<b>G (E + F)</b>	<b>£ 1,266,189</b>	<b>£ 1,292,275</b>



## Financial Resilience and Sustainability

WTM's approach to resilience and sustainability focuses on:

- Diversifying Income Streams
- Optimising Fundraising efforts - particularly those that improve the bottom line
- Growing Audiences
- Continuing to negotiate better direct and overhead costs and exploring alternative suppliers
- Streamlining systems (e.g. Bars) to maximise sales and minimise wastage
- Ensuring strong financial management practices
- Regular reviews of staffing levels and increase staff training to ensure maximum efficiencies
- Clear and transparent communication between Exec and Board

We will aim to combine the above initiatives to build robust reserves in the long term.

## Going Concern

The Trustees have considered the continued impact of the economic crisis and the pressures of inflation both in terms of audience confidence, disposable income, and the impact on operating costs for WTM on their assessment of going concern. After making appropriate enquiries, the Trustees have a reasonable expectation that WTM has adequate resources to continue in operational existence for the foreseeable future (which is considered to be a period of at least twelve months from the date of approving these financial statements). For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

A continued healthy long term cashflow forecast and the ongoing support of Worthing Borough Council are both major factors in securing our long-term financial stability. WTM is committed to securing further financial stability by maximising existing and new income streams, increasing commercial income from the secondary spend and venue hires, fundraising from individual giving, corporate partnerships and trusts and foundations, by further streamlining operations, seeking best value to minimise expenditure, and reinforcing reserves at every opportunity.

In light of the recent significant increases in running costs (due to inflation, energy costs and cost of living increases) we will continue to review the level of reserves we aim to have to ensure financial stability.

## Risk Register

The top three areas of risk on the level register are;

- **Reduction or non-payment of Council Service Fee**

The Service Payment fee from Worthing Borough Council to WTM for the management and operations of Worthing Theatres and Museum has been agreed until 31.03.27.

The first full year's service fee since the charity was founded for 2020/21 was £1,460,010 per annum (which would today be £1,910,727 if adjusted for inflation). From 1 April 2025 this has been reduced by 30% to £1,330,247 per annum and by a further 4% to £1,260,234 from 1 April 2026.

The Council and WTM are currently negotiating the fee for the period of 01.04.27 - 31.03.30 with negotiations to be concluded before 31st March 2026. The Working Group of the Trustees for the Service Fee Negotiations met the council on 17 May 2025 and a significant reduction of the Service Fee was proposed by the council. WTM are in talks with the Council to negotiate and understand this proposal.

- **Business continuity of film and events due to thermal, M&E, insulation and heat network installations**

There are risks of reduced audience levels in relation to disruption caused by the Worthing Heat Network installation.

The Council are currently working in partnership with low-carbon energy company Hemiko to deliver the Worthing Heat Network. WTM venues are owned by the Council and are being connected to the Heat Network.

Works commenced for thermal and fabric insulation and improving mechanical and electrical systems at the Connaught and the Museum in April 2025. Assembly Hall heating works are in progress. The Museum is closed for these works to the public until the winter of 2025.

The major operational and financial impact will be to the Connaught Theatres and Studio which will each need to be closed for two weeks in the next financial year (estimated loss of film income of £30k which has been taken into account in the budget). The contractors are working around our programming schedules for The Pavilion and Assembly Hall.

This risk also could possibly have independencies with the Roffey Homes development due to commence around July adjacent to the Connaught. WTM has requested to be invited to the Roffey stakeholder group.

The Connaught, Museum and Assembly Hall project works activities are being very carefully planned to minimise disruption to events and hires.

Finally there is also a long term risk related to the cost of heating our buildings, especially as the heat network supply is currently unregulated. WTM is seeking assurances from the Council to cover any increases beyond those in the normal, regulated utility market, and it is hoped that the heat network supply will be regulated in the near future under new government legislation.

- **Reduction of Council Capital Funding**

Like many Councils, Worthing Borough Council is facing significant financial challenges. WTM has been able to apply for funding as part of the Council's capital programme in the past, but funding from this source is unlikely going forward.

Although WTM venues are currently benefitting significantly from works for the Heat Network (including replacement of or secondary window glazing and heating infrastructure improvements), the general landscape for council or government capital funding is bleak with little or no funding available for capital projects.

# Structure, Governance and Management

## Constitution

Worthing Theatres & Museum became a Charitable Incorporated Organisation (CIO) (CE018745) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.

## Board Development in 2024/25

Following an extensive period of recruitment, The Board of Trustees was strengthened and given a renewed purpose with six new appointees, bringing additional skill sets in digital innovation, museum design and project management, fundraising and community engagement, as well as bolstering the existing expertise in finance, operational management, HR, legal and marketing. The Board of 14 Charity Trustees lead on the overall strategy and guide and support the Executive Team, enabling the day-to-day operational running of Charity.

Over 2024/25 two Charity Trustees resigned from the Board and six new Trustees were appointed. In October 2024 Yemisi Mokuolu was appointed Chair of the Board.

## Organisational Structure and Decision Making

The Executive Team reports to the Board of Trustees formally a minimum of five times a year, covering full financial reporting, overview of programming and projects and the Risk Register. The Board met six times in 2024/25 including the annual Away Day, which took place in February and focused on business growth, and met with key figures from our partners at Worthing Borough Council to discuss WTM's Vision for the future.

Senior Managers attend Board Meetings as and when required, providing presentations on their specific areas of knowledge and responsibility. The Executive Team works with the Board of Trustees to establish key performance indicators for all aspects of the charity's activities, monitoring and reviewing these regularly throughout the year. Progress on the six strategic aims detailed in WTM's Business Plan for April 2024 - March 2030 are monitored by the Board, these are:

- Financial Stability
- Serving our Community
- Vibrant Cultural & Heritage Programme
- Make our Theatres and Museum Green
- Audience Development
- Capital Redevelopment

The Trustees have delegated some of their powers and functions to committees and have determined the terms and conditions on which the delegation is made.

## **Composition of our Charity and Trading Subsidiary Boards**

**Strengths:** WTM is proud to have a Charity Board where over half identify as female. Our Charity and Trading Subsidiary Boards benefit from the representation of a wide variety of socio-economic backgrounds and diversity in ethnicity, disability and neurodiversity.

## **Methods of Appointment of Trustees and Terms of Office**

The control and management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the CIO constitution. The CIO must have at least three charity Trustees and the maximum number is sixteen.

Trustees are appointed for a term of three years, and they may offer themselves for re-election for a second and third three-year term. A Trustee who has served for three consecutive terms may not be reappointed for a fourth consecutive term but may be reappointed after an interval of at least one year.

## **Policies Adopted for the Induction and Training of Trustees**

New Trustees undergo an induction to brief them on their legal obligations. They receive a copy of the Constitution and the CIO's latest Trustees' Annual Report and Statement of Accounts as well as background and Charity Commission guidance on public benefit, committee and decision-making processes, the business plan and information on recent financial performance. Specialist charity trustee training, provided by established third-party experts, is arranged at intervals throughout the year.

## **Committees**

Committees have Terms of Reference and report regularly to the Board. The Trustees create temporary Action Groups when required. The four core Committees are:

### **1. Finance and Audit Committee**

Responsible for financial management, audit, internal control, and risk management. The Committee met six times in 2024/25.

### **2. Nominations Committee**

The process of recommending the appointment of Trustees to the Board is carried out by the Nominations Committee which reviews and makes recommendations for potential appointments, considering the composition and balance of the present Board. The Board reviews and assesses the skills, knowledge and experience of the recommended candidates needed for the effective administration of the charity. The Board will do all in its reasonable power to appoint and retain (for designated terms) Trustees of the highest calibre. Trustees are expected to attend a high percentage

of Board and Committee meetings.

The Nominations Committee also has responsibility for recommending to the Board Director appointments for the Trading Subsidiary.

### **3. Remuneration Committee**

Determines and agrees with the Board the framework or broad policy for the remuneration of the Executive and the Senior Management Team using a job evaluation scheme and benchmarking salaries against similar organisations. The Committee, acting responsibly, has the authority to appoint remuneration consultants and to purchase or commission any reports which it deems necessary within any budgetary restraints imposed by the Board.

### **4. Fundraising and Capital Development Committee**

Focuses on the fundraising strategy and associated Capital Projects.

### **Working Groups**

In 2024/25 four working groups consisting of Trustees and staff had the additional responsibility and overview regarding several specialist areas, these were: Community Engagement, the Heat Network, Health & Safety, and the Service Fee Negotiation.

### **Change Advisory Board (CAB)**

The Change Advisory Board (CAB) allows members of the Senior Management Team to carry out due diligence and research before presenting any proposals to the Executive Team. The aim of the board is to streamline the decision making process whilst allowing the Executive to focus on key factors.

### **Risk Management**

The Risk Register is overseen by the Head of Buildings & Sustainability, with the underlying risks being updated and maintained by the most appropriate member of the Senior Management Team. The Risk Register is split between level 1 (Board) and level 2 (Operational) risks, and regular meetings review and update both levels. The Board level is presented at quarterly Finance & Audit Committee Meetings and Board Meetings.

## **Trading Subsidiary Company - non charitable trading**

Commercial activities that do not directly further the charitable objectives are carried out by our Trading Subsidiary Company (Worthing Theatres & Museum (Trading) Limited, company number: 12296105) which is wholly owned by the Charity. The income and expenditure for our Trading Subsidiary is included on the group consolidated figures shown in these financial statements. A gift, equivalent to any profit, is made at the end of each financial year from our Trading Subsidiary to the

Charity, meaning the Trading Subsidiary does not show any profit or loss. The main activities are Bars & Concessions, Venue Hire and Retail.

The support via our trading arm helps us to fulfil our charitable objectives.

The Trading Subsidiary (Worthing Theatres & Museum (Trading) Limited) has its own Board of Directors comprising Charity Board Trustees and separate independent Directors. In 2024/25 two further Charity Trustees were appointed to the Trading Board, bringing the overall number of Directors to four (three Charity Trustees and one independent director).

## **Our Teams**

In 2024/25 we have focussed on building resilient and engaged teams that can effectively deliver on WTM's business plan, specifically on building financial sustainability. We have focussed on resourcing and structure to support growth of income from trading subsidiary activities and fundraising: we have added a non-exec Director level focussed on driving income and welcomed a Head of Development to drive Fundraising.

We have built on engagement, re-designing 121 and performance management processes and begun delivering management training sessions on key topics including sexual harassment prevention as well as developing the use of our HR system to support engagement and find efficiencies.

## **Our Staff**

WTM currently has (as at April 2025), 124 staff, 54% of which are casual.

Similar to the Board the staff team identifies as 52% female, with a fairly equal spread in age including a much stronger representation in the 18-30 bracket. Our neurodivergent and staff with disabilities make up 16% of the workforce.

## **Our Team's Equity, Diversity and Inclusion**

WTM values diversity and promotes unity providing an environment where differences and what we have in common are celebrated. We are committed to continuing to develop our inclusivity to ensure all voices are heard and represented in our workforce. We believe that diversity makes us stronger and we actively work to attract applicants from underrepresented groups. We hold ourselves accountable by being a Disability Confident Committed Employer, and working to further develop our support for this aspect of the workforce. We are developing our Mental Health support and awareness for staff and in 2024/25 appointed more mental health first aiders.

## **Our Volunteers**

WTM engages with Volunteers in a variety of roles, some of which are regular and others on an ad hoc or one-off basis. The roles include: Customer Experience across the Theatres, Cinema and Museum, Distribution & Engagement and Curatorial & Conservation Volunteers. We have a valued and loyal volunteer base that has shifted from primarily over the age of 66 to the majority being 45-60

and female.

As well as our usual volunteering opportunities WTM has been able to offer a number of short term volunteering and work experience placements working with partners in the community.

In 2024 the team undertook volunteer management training which has shaped and will continue to impact the way we value and manage volunteers, taking a more strategic approach to their experience. We also invite the team to annual meetings in addition to volunteer-centric events throughout the year.

We have also launched annual volunteering surveys as of June 2025 as another way to engage with and measure our impact.

## Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales 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 Group and Charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP (FRS 102).
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of Information to Auditors

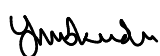
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Auditors

On 18 November 2024, the company's auditor changed its name from Haysmacintyre LLP to HaysMac LLP. The auditors, HaysMac LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 7th August 2025 and signed on their behalf by:



.....  
**Yemisi Mokuolu**  
**Chair of the Board of Trustees**

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORTHING THEATRES & MUSEUM

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## Opinion

We have audited the financial statements of Worthing Theatres & Museum for the year ended 31<sup>st</sup> March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the charity balance sheet, the Consolidated Statement of Cash Flows 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 group's and of the parent charity's affairs as at 31<sup>st</sup> March 2024 and of the group's net movement in funds for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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 Trustees' Annual Report, the Chair's statement, and the Executive Team Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORTHING THEATRES & MUSEUM**

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whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to Report by Exception**

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

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the Financial Statements**

As explained more fully in the Trustees' responsibilities statement set out on page 31 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to year end cut off and journal postings. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
WORTHING THEATRES & MUSEUM**

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- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

A further description of our responsibilities 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 auditor's report.

**Use of Our Report**

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

*HaysMac LLP*

**HaysMac LLP  
Statutory Auditors**

**10 Queen Street Place  
London  
EC4R 1AG**

**Date:** 15 August 2025.....

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

**WORTHING THEATRES & MUSEUM**  
**SUMMARY INCOME & EXPENDITURE REPORT**  
**NOT FORMING PART OF THE STATUTORY ACCOUNTS**  
**for the year ended 31st March 2025**

	<b>2025</b>	<b>2024</b>
	£	£
<b>Income from:</b>		
Donations and legacies	201,813	172,562
Charitable activities	4,562,036	4,092,961
Other trading activities	926,891	806,116
Investments	78,468	59,415
<b>Total income</b>	<b>5,769,208</b>	<b>5,131,054</b>
<b>Less: expenditure on</b>		
Raising funds*	1,032,963	888,425
Charitable activities	4,762,332	4,233,759
<b>Total expenditure</b>	<b>5,795,295</b>	<b>5,122,184</b>
Less:		
Other non-operating items	-	-
Movement on restricted funds	33,157	47,591
Transfer to/(from) designated funds	(68,034)	(39,460)
<b>Operating surplus / (loss)</b>	<b>8,790</b>	<b>739</b>
Add back:		
Other non-operating items	-	-
Movement on restricted funds	33,157	47,591
Transfer to/ (from) designated funds	(68,034)	(39,460)
<b>Net movement in funds</b>	<b>(26,087)</b>	<b>8,870</b>

*\*As per SOFA requirements, this figure includes direct costs for non-charitable activities. As shown on page 45, Fundraising costs equal £103,698 (£103,017 2024)*

**WORTHING THEATRES & MUSEUM**  
**GROUP STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 31st March 2025

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024* £
<b>Income from</b>					
Donations and grants	3	36,722	165,091	201,813	172,562
Charitable activities	4	4,562,036	-	4,562,036	4,092,961
Trading activities	5	926,891	-	926,891	806,116
Investments	6	78,468	-	78,468	59,415
<b>Total income</b>		<u>5,604,117</u>	<u>165,091</u>	<u>5,769,208</u>	<u>5,131,054</u>
<b>Expenditure on</b>					
Raising funds**	7	1,032,963	-	1,032,963	888,425
Charitable activities	8	4,630,398	131,934	4,762,332	4,233,759
<b>Total expenditure</b>		<u>5,663,361</u>	<u>131,934</u>	<u>5,795,295</u>	<u>5,122,184</u>
<b>Net (expenditure) / income</b>		<u>(59,244)</u>	<u>33,157</u>	<u>(26,087)</u>	<u>8,870</u>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<u>(59,244)</u>	<u>33,157</u>	<u>(26,087)</u>	<u>8,870</u>
<b>TOTAL FUNDS AT 1 APRIL 2024</b>	20	<u>1,235,341</u>	<u>56,935</u>	<u>1,292,276</u>	<u>1,283,406</u>
<b>TOTAL FUNDS AT 31 MARCH 2025</b>	20	<u><u>1,176,097</u></u>	<u><u>90,092</u></u>	<u><u>1,266,189</u></u>	<u><u>1,292,276</u></u>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

\*A breakdown of these comparative figures is shown in note 24 on page 60.

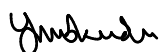
\*\* As per SOFA requirements, this figure includes direct costs for non-charitable activities. As shown on page , Fundraising costs are £103,698 (£103,017 2024)

The notes on pages 40 to 60 form part of these financial statements.

**WORTHING THEATRES & MUSEUM**  
**Charity Registered Number 1185189**  
**GROUP BALANCE SHEET**  
**at 31<sup>st</sup> March 2025**

	Note	2025 £	2024 £
<b>FIXED ASSETS</b>			
Tangible assets	14	465,683	401,647
<b>CURRENT ASSETS</b>			
Stock	15	48,002	42,778
Debtors	16	1,245,765	330,714
Cash at bank and in hand		2,012,741	2,714,759
		3,306,508	3,088,251
CREDITORS: Amounts falling due within one year	17	(2,506,002)	(2,197,622)
		800,506	890,629
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year	18	-	-
		1,266,189	1,292,276
<b>NET ASSETS</b>			
		1,266,189	1,292,276
<b>ACCUMULATED FUNDS</b>			
Restricted funds	19	90,092	56,935
<b>Unrestricted funds</b>			
General funds	19	134,594	125,804
Designated funds	19	1,041,503	1,109,537
		1,266,189	1,292,276
<b>TOTAL FUNDS</b>			
		1,266,189	1,292,276

The financial statements were approved and authorised for issue by the board of Trustees on 31st July 2025 and signed on its behalf by

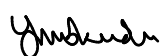


.....  
**Yemisi Mokuolu**  
**Chair of the Board of Trustees**

**WORTHING THEATRES & MUSEUM**  
**Charity Registered Number 1185189**  
**CHARITY BALANCE SHEET**  
**at 31<sup>st</sup> March 2025**

	Note	2025 £	2024 £
<b>FIXED ASSETS</b>			
Tangible assets	14	465,683	401,647
<b>CURRENT ASSETS</b>			
Stock	15	2,021	-
Debtors	16	1,212,866	534,512
Cash at bank and in hand		1,826,928	2,336,316
		3,041,815	2,870,828
CREDITORS: Amounts falling due within one year	17	(2,241,309)	(1,980,199)
		800,506	890,629
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year	18	-	-
		1,266,189	1,292,276
<b>NET ASSETS</b>			
<b>ACCUMULATED FUNDS</b>			
Restricted funds	19	90,092	56,935
<b>Unrestricted funds</b>			
General funds	19	134,594	125,804
Designated funds	19	1,041,503	1,109,537
		1,266,189	1,292,276
<b>TOTAL FUNDS</b>			

The financial statements were approved and authorised for issue by the board of Trustees on 31st July 2025 and signed on its behalf by:



.....  
**Yemisi Mokuolu**  
**Chair**

The notes on 47 to 65 form part of these financial statements

**WORTHING THEATRES & MUSEUM**  
**GROUP STATEMENT OF CASH FLOWS**  
for the year ended 31<sup>st</sup> March 2025

	Note	2025 £	2024 £
<b>Net cash provided by/ (used in) operating activities</b>	A	(515,030)	324,008
<b>Cash flows from investing activities:</b>			
Interest from investments		(78,468)	(59,415)
Purchase of tangible fixed assets		(108,520)	(188,702)
Disposal of tangible assets		-	-
<b>Net cash provided by/ (used in) investing activities</b>		(186,988)	(248,117)
Change in cash and cash equivalents in the reporting period		(702,018)	75,891
Cash and cash equivalents at the beginning of the year		2,714,759	2,638,868
<b>Cash and cash equivalents</b>		2,012,741	2,714,759

**A: Reconciliation of net movement in funds to net cash flow from operating activities**

	2025 £	2024 £
Net income / (expenditure)	(26,087)	8,870
Depreciation charges	44,484	38,210
Interest from investments	78,468	59,415
Increase in Stock	(5,224)	(5,266)
(Increase) / Decrease in debtors	(915,051)	(98,136)
Decrease in creditors	308,380	320,915
<b>Net cash used in operating activities</b>	(515,030)	324,008

**B. Analysis of changes in net debt**

	At 31 March 2024 £	Cash flows £	At 31 March 2025 £
Cash	2,714,759	(702,018)	2,012,741

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2025**

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**1. GENERAL INFORMATION**

Worthing Theatres & Museum is a Charitable Incorporated Organisation. The registered principal office is Connaught Theatre, Union Place, Worthing, BN11 1LG. Consolidated accounts have been produced incorporating the wholly owned subsidiary, Worthing Theatres & Museum (Trading) Limited.

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements 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<sup>st</sup> January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1<sup>st</sup> April 2005 which has since been withdrawn.

Worthing Theatres & Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The financial statements have been prepared on a going concern basis.

The trustees have considered the level of funds held, the expected level of income and expenditure and the cashflow for 12 months following the authorising of these financial statements and believe the charity is able to continue as a going concern with no material uncertainties.

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2025**

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shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2025**

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Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

### **2.5 Council Service Fee**

Worthing Theatres & Museum (WTM) receives an annual service fee from Worthing Borough Council (WBC) for the management and development of the cultural portfolio. The initial five-year schedule of service fees was agreed for the period ending 31<sup>st</sup> March 2025. Service fees for the following two-year period, (2025/26 and 2026/27) were approved by WBC on 14<sup>th</sup> March 2024. The service fee for following periods will be agreed by WBC & WTM by 31<sup>st</sup> March 2026. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

### **2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

### **2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Furniture: 10 - 15 years  
Technical Equipment : 7 to 10 years  
IT Equipment : 5 to 10 years

### **2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### **2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## **2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

## **2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## **2.13 Pensions**

The Charity operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. The Charity also operates a defined benefit pension scheme, and the pension charges are also based on amounts payable to the fund in respect of the year, without any actuarial adjustments. See note 21 for further details.

## **2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

## 2.15 Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates and assumptions: The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

### 3. INCOME FROM DONATIONS AND GRANTS

	<b>Unrestricted 2025 £</b>	<b>Restricted 2025 £</b>	<b>Total 2025 £</b>	<b>Unrestricted 2024 £</b>	<b>Restricted 2024 £</b>	<b>Total 2024 £</b>
Donations	36,722	30,552	67,274	36,948	-	36,948
Grant Income	-	134,539	134,539	-	132,162	132,162
	<u>36,722</u>	<u>165,091</u>	<u>201,813</u>	<u>36,948</u>	<u>132,162</u>	<u>169,110</u>

### 4. INCOME FROM CHARITABLE ACTIVITIES

	<b>2025 £</b>	<b>2024 £</b>
Theatres	3,134,839	2,644,977
Museum	26,936	24,254
Service Fee	1,400,261	1,423,730
	<u>4,562,036</u>	<u>4,092,961</u>

*All income from charitable activities in 2025 and 2024 was unrestricted.*

### 5. TRADING INCOME

	<b>2025 £</b>	<b>2024 £</b>
Venue Hire and Rental	237,601	202,362
Retail	27,256	26,655
Bars and Catering	657,678	568,778
Other	4,356	8,321
	<u>926,891</u>	<u>806,116</u>

*All trading income in 2025 and 2024 was unrestricted.*

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**6. INVESTMENT INCOME**

	<b>2025</b>	<b>2024</b>
	£	£
Interest receivable	78,468	59,415
	78,468	59,415
	78,468	59,415

*All investment income in 2025 and 2024 was unrestricted.*

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Fundraising Costs</b>	<b>Other Expenditure on Raising funds</b>	<b>2025</b>	<b>2024*</b>
	£	£	£	£
Direct costs	1,301	257,622	258,923	223,824
Staff costs	87,073	273,215	360,288	328,562
Support costs	15,324	398,428	413,752	336,039
	103,698	929,265	1,032,963	888,425
	103,698	929,265	1,032,963	888,425

	<b>Fundraising Costs</b>	<b>Other Expenditure on Raising funds</b>	<b>2024</b>
	£	£	£
<i>Direct costs</i>	2,961	220,863	223,824
<i>Staff costs</i>	85,121	243,441	328,562
<i>Support costs</i>	14,935	321,104	336,039
	103,017	785,408	888,425
	103,017	785,408	888,425

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

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

	Direct costs £	Support costs £	2025 £	2024 £
Theatres	3,301,758	842,829	4,144,587	3,621,566
Museum	341,910	275,835	617,745	612,193
	3,643,668	1,118,664	4,762,332	4,233,759
	3,643,668	1,118,664	4,762,332	4,233,759
		Direct costs £	Support costs £	2024 £
<i>Theatres</i>		2,800,139	821,427	3,621,566
<i>Museum</i>		276,154	336,039	612,193
		3,076,293	1,157,466	4,233,759
		3,076,293	1,157,466	4,233,759

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**9. ANALYSIS OF DIRECT COSTS**

	<b>Theatres</b>	<b>Museum</b>	<b>2025</b>	<b>2024</b>
	£	£	£	£
Staff costs	1,223,163	251,601	1,474,764	1,178,020
Equipment	26,796	305	27,101	39,032
Insurance	40,445	29,442	69,887	68,942
IT	540	-	540	10,898
Premises costs	304,317	36,969	341,286	300,820
Other	90,365	14,944	105,309	75,034
Rates	3,554	1,925	5,479	6,220
Repairs and Maintenance	65,738	6,724	72,462	77,992
Artist fees	1,238,276	-	1,238,276	1,028,616
Production costs	22,824	-	22,824	34,278
Film Rental	285,740	-	285,740	256,441
	<u>3,301,758</u>	<u>341,910</u>	<u>3,643,668</u>	<u>3,076,293</u>

***Breakdown of previous years' Direct Costs***

	<b>Theatres</b>	<b>Museum</b>	<b>2024</b>
	£	£	£
Staff costs	991,672	186,348	1,178,020
Equipment	38,609	423	39,032
Insurance	44,528	24,414	68,942
IT	6,304	4,594	10,898
Premises costs	258,125	42,695	300,820
Other	65,501	9,533	75,034
Rates	4,295	1,925	6,220
Repairs and Maintenance	71,910	6,082	77,992
Artist fees	1,028,616	-	1,028,616
Production costs	34,138	140	34,278
Film Rental	256,441	-	256,441
	<u>2,800,139</u>	<u>276,154</u>	<u>3,076,293</u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**10. ANALYSIS OF SUPPORT COSTS**

	<b>2025</b>	<b>2024</b>
Support costs consist of the following:	£	£
Bank charges	18,050	13,250
Equipment	14,749	1,744
Insurance	62,828	51,289
IT	166,463	131,788
Premises costs	5,846	4,549
Professional fees	80,112	90,373
Marketing	280,288	227,740
Other	207,454	143,175
Printing, Postage and Stationery	5,557	5,528
Repairs and Maintenance	4,220	5,277
Training	15,318	16,570
Travel	2,431	3,552
Other Staff costs	36,618	36,915
Governance costs	37,976	31,675
Depreciation	44,484	38,210
Staff Costs	550,022	691,870
	<u>1,532,416</u>	<u>1,493,505</u>

**11. NET MOVEMENT IN FUNDS**

	<b>2025</b>	<b>2024</b>
This is stated after charging:	£	£
Auditors' remuneration: audit	25,750	22,000
Auditors' remuneration: non-audit fees	12,226	9,675
Depreciation of owned fixed assets	44,484	38,210

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**12. STAFF COSTS**

	<b>2025</b>	<b>2024</b>
	£	£
Wages and salaries	2,071,574	1,907,567
Social security costs	170,347	152,258
Other pension costs	143,153	138,627
	2,385,074	2,198,452
	2,385,074	2,198,452

	<b>2025</b>	<b>2024</b>
The average monthly number of employees (headcount) during the period was as follows:	Number	Number
Senior Managers	9	8
Other Staff	54	57
Casual Staff	57	58
	120	123
	120	123

No remuneration was paid during the period to any member of the Board of Trustees (2024: £Nil).

One trustee was reimbursed travel & accommodation expenses totalling £542 during the year (2024: £Nil).

One employee received remuneration in the band £80,000 - £89,999 during the year (2024: 1)  
One employee received remuneration in the band £70,000 - £79,999 during the year (2024: None)  
No employees received remuneration in the band £60,000 - £69,999 during the year (2024: 1)

Included in the above is expenditure on redundancy and termination payments of £2,430 (2024 : Nil)

	2025	2024
	£	£
Total remuneration of key management personnel	590,790	513,700
	590,790	513,700

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

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**13. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY**

Subsidiary name	Worthing Theatres & Museum (Trading) Limited
Company registration number	12296105
Basis of control	Ordinary shares
Equity shareholding %	100%

	<b>31 March 2025 £</b>	<b>31 March 2024 £</b>
Turnover	898,898	801,458
Cost of sales	(476,327)	(452,860)
<b>Gross profit</b>	<u>422,571</u>	<u>348,598</u>
Administrative expenses	(260,154)	(251,690)
<b>Operating profit</b>	<u>162,417</u>	<u>96,908</u>
Interest receivable and similar income	5,110	3,155
<b>Profit for the year</b>	<u>167,527</u>	<u>100,603</u>
Gift aid to parent	(167,527)	(100,063)
<b>Retained earnings at the end of the year</b>	<u>-</u>	<u>-</u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**14. TANGIBLE FIXED ASSETS**  
*Group and Charity*

	<b>Furniture Fittings &amp; Equipment</b>	<b>Total</b>
	£	£
<b>Cost:</b>		
At 1 April 2024	491,496	491,496
Additions	108,520	108,520
Disposals	-	-
	600,016	600,016
<b>Depreciation:</b>		
At 1 April 2024	89,849	89,849
Provided during the year	44,484	44,484
	134,333	134,333
<b>Net book value:</b>		
At 31 March 2025	465,683	465,683
	401,647	401,647
At 1 April 2024	401,647	401,647

**15. Stock**

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	£	£	£	£
Catering Stock	48,002	42,778	2,021	-
	48,002	42,778	2,021	-
	48,002	42,778	2,021	-

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**16. DEBTORS**

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade Debtors	856,056	56,344	841,576	16,201
Other Debtors	39,101	41,962	35,232	30,579
Prepayments	96,185	52,247	96,185	52,247
Accrued Income	254,423	180,161	239,873	163,301
Intercompany	-	-	-	272,184
	<u>1,245,765</u>	<u>330,714</u>	<u>1,212,866</u>	<u>534,512</u>

**17. CREDITORS: amounts falling due within one year**

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade Creditors	102,166	115,347	14,010	59,992
Loan < 1yr	-	-	-	-
Other tax and social security	134,053	146,143	103,847	118,902
Other Creditors	100,309	85,790	100,395	83,390
Accruals	685,033	477,586	511,971	371,773
Intercompany	-	-	36,331	-
Deferred income	1,484,441	1,372,756	1,474,755	1,346,142
	<u>2,506,002</u>	<u>2,197,622</u>	<u>2,241,309</u>	<u>1,980,199</u>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	£	£	£	£
Deferred income at 1 April 2024 / 2023	1,372,756	1,239,090	1,346,142	1,227,310
Resources deferred during the year	1,484,441	1,372,756	1,474,755	1,346,142
Amounts released from previous periods	(1,372,756)	(1,239,090)	(1,346,142)	(1,227,310)
	<u>1,484,441</u>	<u>1,372,756</u>	<u>1,474,755</u>	<u>1,346,142</u>

Deferred income is made up of Advance Ticket income, prepaid elements of the Council Service Fee, Gift Vouchers & Prepaid Venue Hire.

Advance Ticket income includes all ticket income received for shows after the 31<sup>st</sup> March 2025 and no adjustment has been made for refunds, cancellations or postponement of shows made after this date.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**18. CREDITORS: amounts falling due after one year**

There were no creditors due over one year in either 2025 or 2024

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2025 £</b>	<b>Designated funds 2025 £</b>	<b>Restricted fund 2025 £</b>	<b>Total 2025 £</b>
<b>Group</b>				
Fixed assets	-	465,683	-	465,683
Current assets	2,640,596	575,820	90,092	3,306,508
Current liabilities	(2,506,002)	-	-	(2,506,002)
Non-current liabilities	-	-	-	-
	<u>134,594</u>	<u>1,041,503</u>	<u>90,092</u>	<u>1,266,189</u>
<b>Charity</b>				
Fixed assets	-	465,683	-	465,683
Current assets	2,375,903	575,820	90,092	3,041,815
Current liabilities	(2,241,309)	-	-	(2,241,309)
Non-current liabilities	-	-	-	-
	<u>134,594</u>	<u>1,041,503</u>	<u>90,092</u>	<u>1,266,189</u>
	<u><u>134,594</u></u>	<u><u>1,041,503</u></u>	<u><u>90,092</u></u>	<u><u>1,266,189</u></u>
	<b><i>Unrestricted funds 2024 £</i></b>	<b><i>Designated funds 2024 £</i></b>	<b><i>Restricted fund 2024 £</i></b>	<b><i>Total 2024 £</i></b>
<b>Charity</b>				
Fixed assets	-	401,647	-	401,647
Current assets	2,106,003	707,890	56,935	2,870,828
Current liabilities	(1,980,199)	-	-	(1,980,199)
Non-current liabilities	-	-	-	-
	<u>125,804</u>	<u>1,109,537</u>	<u>56,935</u>	<u>1,292,276</u>
	<u><u>125,804</u></u>	<u><u>1,109,537</u></u>	<u><u>56,935</u></u>	<u><u>1,292,276</u></u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**20. STATEMENT OF FUNDS**

<b>Group &amp; Charity</b>	<b>At 1 April 2024 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers, Gains and Losses £</b>	<b>At 31 March 2025 £</b>
<b>Restricted funds</b>					
Access to Work	496	-	(496)	-	-
Adelaide Fringe Festival	-	742	(742)	-	-
Aurelius Trust	2,992	-	(1,860)	-	1,132
BFI	-	(375)	375	-	-
Big Dig Burpham	10,903	585	(2,696)	-	8,792
Fit for the Future	2,452	1,933	-	-	4,385
Careerlab - University of Sussex	-	2,700	(2,700)	-	-
Going Green	987-	-	(987)	-	-
Creative Futures	4,808	-	-	-	4,808
Google Ads	-	82,293	(82,293)	-	-
HAF Easter 2024	-	3,167	(3,167)	-	-
HAF Summer 2024	-	4,160	(4,160)	-	-
HAF Winter 2024	-	4,392	(3,208)	-	1,184
Highdown Revisited	17,684	1,000	-	-	18,684
Idlewild	110	-	(110)	-	-
Museum Decant Project <sup>3</sup>	-	45,996	(5,128)	-	40,868
Restricted Museum Donations	5	-	(5)	-	-
Pavilion Access Ramp Project	-	5,000	(1,550)	-	3,450
Pavilion Taps	-	4,364	(3,680)	-	684
Pay it Forward	-	5,000	(2,733)	-	2,267
Roman Axle Conservation	-	1,000	(1,294)	-	1,206
Museum Development Southeast	413	-	-	-	413
Summer of Circus 2024	1,5000	34	(15,034)	-	-
Strong Start	1,000	1,000	(381)	-	1,619
Ukraine Culture Day	85	-	(85)	-	-
Warm spaces 2025	-	600	-	-	600
	<b>56,935</b>	<b>165,091</b>	<b>(131,934)</b>	<b>-</b>	<b>90,092</b>

<sup>3</sup> These are restricted grants and donations to help us decant and protect the Museum Collection in order for the Heat Network works to be carried out in 2025/26

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**20. STATEMENT OF FUNDS (continued)**

Group	At 1 April 2024 £	Income £	Expenditure £	Transfers, Gains and Losses £	At 31 March 2025 £
<b>Reserves for Key Risks &amp; Uncommitted Expenditure</b>					
Ticket Income Reserve	115,000	-	-	-	115,000
New Equipment	74,800	-	-	-	74,800
Maintenance	50,000	-	-	-	50,000
Insurance Claim Shortfall	12,000	-	-	-	12,000
HR Reserve	12,000	-	-	-	12,000
Pension Strain	20,000	-	-	-	20,000
Buildings Access Improvements	13,787	-	-	(247)	13,540
Essential Website Development	48,000	-	-	(48,000)	-
	345,587	-	-	(48,247)	297,340
<b>Committed Expenditure + Restoration Levy Fund <sup>4</sup></b>					
Restoration Levy Fund <sup>5</sup>	344,641	-	-	-	344,641
Future Depreciation of Fixed Assets	401,647	-	-	(42,632)	359,015
Theatre Auditorium Seats	2,714	-	-	(2,714)	-
Museum Display Cases	10,947	-	-	-	10,947
Museum Lighting	4,000	-	-	-	4,000
New Website Reserve	-	-	-	25,560	25,560
	763,949	-	-	(19,786)	744,163
Total Designated Funds	1,109,536	-	-	(68,033)	1,041,503
Free reserves	125,804	5,604,117	(5,663,361)	68,034	134,594
General Funds	1,235,340	5,604,117	(5,663,361)	-	1,176,097
<b>TOTAL Funds</b>	<b>1,292,275</b>	<b>5,769,208</b>	<b>(5,795,295)</b>	<b>-</b>	<b>1,266,189</b>

<sup>4</sup> The majority of Committed Expenditure Reserves is earmarked to be spent in 2025/26 with the exception of the Restoration Levy Fund of £345K (for business-critical equipment, furniture and creative projects in the long-term future), and the Fixed Asset Depreciation Reserve of £359K which will cover depreciation of fixed assets purchased prior to March 2024 over 5-15 years.

<sup>5</sup> Ticket Levy income of £223,704 for 2024/25 was all spent on appropriate costs during the 2024/25 year.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**20. STATEMENT OF FUNDS - Comparative Statement**

<b>Group &amp; Charity</b>	<b>At 1 April 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers, Gains and Losses £</b>	<b>At 31 March 2024 £</b>
<b>Restricted funds</b>					
Access to Work	-	496	-	-	496
Aurelius Trust	-	2,992	-	-	2,992
BFI	-	375	(375)	-	-
Big Dig Burpham	-	10,903	-	-	10,903
Fit for the Future	-	2,452	-	-	2,452
Frozen Light	-	1,250	(1,250)	-	-
Going Green	-	987	-	-	987
Creative Futures	4,808	-	-	-	4,808
Google Ads	-	49,108	(49,108)	-	-
HAF Easter 2023	2,349	-	(2,349)	-	-
HAF Summer 2023	-	3,317	(3,317)	-	-
HAF Winter 2023	-	3,218	(3,218)	-	-
Hearing Loops Project	-	18,192	(19,116)	924	-
Highdown Revisited	-	17,684	-	-	17,684
Idlewild	-	5,000	(4,890)	-	110
London Film Festival	-	350	(350)	-	-
Restricted Museum Donations	100	-	(95)	-	5
Open 2023 Prizes	-	500	(500)	-	-
Museum Development Southeast	2,413	-	(2,000)	-	413
Spin Out 2023	-	1,250	-	(1,250)	-
Summer of Circus 2024	-	15,000	-	-	15,000
Strong Start	-	1,000	-	-	1,000
Ukraine Culture Day	-	540	(455)	-	85
Warm spaces 2024	-	1,000	(1,000)	-	-
	<b>9,670</b>	<b>135,614</b>	<b>(88,023)</b>	<b>(326)</b>	<b>56,935</b>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**20. STATEMENT OF FUNDS - Comparative Statement**

<b>Group</b>	<b>At 1 April 2024</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers, Gains and Losses</b>	<b>At 31 March 2025</b>
	£	£	£	£	£
<b>Reserves for Key Risks &amp; Uncommitted Expenditure</b>					
<i>Ticket Income Reserve</i>	115,000	-	-	-	115,000
<i>New Equipment</i>	74,800	-	-	-	74,800
<i>Maintenance</i>	50,000	-	-	-	50,000
<i>Insurance Claim Shortfall</i>	12,000	-	-	-	12,000
<i>HR Reserve</i>	12,000	-	-	-	12,000
<i>Pension Strain</i>	20,000	-	-	-	20,000
<i>Buildings Access Improvements</i>	28,413	-	-	(14,626)	13,787
<i>Essential Website Development</i>	48,000	-	-	-	48,000
	<b>360,213</b>	<b>-</b>	<b>-</b>	<b>(14,626)</b>	<b>345,587</b>
<b>Committed Expenditure + Restoration Levy Fund</b>					
<i>Restoration Levy Fund</i>	344,641	178,364	(178,364)	-	344,641
<i>Future Depreciation of Fixed Assets</i>	251,156	-	-	150,491	401,647
<i>Theatre Auditorium Seats</i>	177,714	-	-	(175,000)	2,714
<i>Museum Display Cases</i>	10,947	-	-	-	10,947
<i>Museum Lighting</i>	4,000	-	-	-	4,000
	<b>788,458</b>	<b>178,364</b>	<b>(178,364)</b>	<b>(24,509)</b>	<b>763,949</b>
<b>Total Designated Funds</b>	<b>1,148,671</b>	<b>178,364</b>	<b>(178,364)</b>	<b>(39,134)</b>	<b>1,109,537</b>
<i>Pension reserve</i>	-	-	-	-	-
<i>Free reserves</i>	125,065	4,995,440	(5,034,161)	39,460	125,804
<b>General Funds</b>	<b>1,273,736</b>	<b>5,173,804</b>	<b>(5,212,525)</b>	<b>326</b>	<b>1,235,341</b>
<b>TOTAL Funds</b>	<b>1,283,406</b>	<b>5,309,418</b>	<b>(5,300,548)</b>	<b>-</b>	<b>1,292,276</b>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2025**

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## **21. PENSION COMMITMENTS**

### **People's Pension Scheme**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £22,515 (2024: £15,844). Contributions totalling £9,916 (2024: £7,266) were payable to the fund at the balance sheet date and are included in creditors.

### **Local Government Pension Scheme (LGPS)**

Worthing Theatres & Museum (WTM) operates a defined benefit pension scheme for staff transferred from the Council under the Transfer of Undertaking (Protection of Employment) (TUPE) regulations.. WTM is an Admission Body, Worthing Borough Council (WBC) is the scheme employer and the fund is managed by West Sussex Pension Fund.

As part of WTM's Agreement with Worthing Borough Council (WBC) our employer contribution rate is capped at 17.9% for the duration of the Agreement and WBC funds any surplus contributions. The Fund has confirmed that the employer rate for the 3-year period April 2023 - March 2026 is 17.5%. The Council pays any excess over 17.9% employer contributions.

The Council Members agreed at Committee in December 2022 to amend the existing arrangement to a pass-through agreement in which WBC assumed the exit risk from 31st March 2023. They also agreed to provide a guarantee for the duration of the Management Agreement.

Whilst there is no liability for the overall deficit on the scheme, there are potential future liabilities in relation to pension strain. WTM insures against pension strain due to early retirement due to ill-health. There may be potential future contingent liabilities that would be provided for in the financial statements should they arise. As at 31st March 2025 no such liabilities had crystallised.

Contributions totalling £12,675 (2023: £12,028) were payable to the scheme at the balance sheet date and are included in creditors.

The total contributions made for the year ended 31st March 2024 was £152K (2024: £156K).

## **22. Related Party Transactions**

During the year the charity recharged its wholly owned subsidiary, Worthing Theatres & Museum (Trading) Limited £227,924 (2024: £238,560) for services and management charge. At the year end Worthing Theatres & Museum (Trading) Limited owed the charity £129,771 (2024 £202,434)

Andrew Comben, a Trustee of the Charity, and Maxine Hort, a Trustee of the Charity and Trading Subsidiary Director, both in their roles at Brighton Dome & Brighton Festival, as Chief Executive (until August 2024) and Senior Manager and interim Chief Executive respectively, provide Worthing Theatres & Museum with Payroll, Accounting and HR support/advice, Brighton Dome & Brighton Festival's IT Consultant (Tim Metcalf) also provided paid work for WTM during 2024/25. (Value for 2024/25 £32,266 (2023/24 £40,305)

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2025**

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A trustee of the Charity, Mike Pailthorpe, hired rooms from the charity during the year. The total amounts paid to the Trading Subsidiary were £3,847 + VAT (2024: £nil)

There were no outstanding fees relating to these services as at 31st March 2025.

There were no other related party transactions.

**23. CAPITAL COMMITMENTS**

As at 31st March 2025 there were no Capital commitments

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2025

**24. Detailed Comparative Statement of Financial Activities**

This is a breakdown by fund of the items shown in the Statement of Financial Activities on page 36.

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income from</b>				
Donations and grants	3	36,948	135,614	172,562
Charitable activities	4	4,092,961	-	4,092,961
Trading activities	5	806,116	-	806,116
Investments	6	59,415	-	59,415
<b>Total income</b>		<u>4,995,440</u>	<u>135,614</u>	<u>5,131,054</u>
<b>Expenditure on</b>				
Raising funds	7	888,425	-	888,425
Charitable activities	8	4,145,736	88,023	4,233,759
<b>Total expenditure</b>		<u>5,034,161</u>	<u>88,023</u>	<u>5,122,184</u>
<b>Net income</b>		<u>(38,721)</u>	<u>47,265</u>	<u>8,870</u>
Transfers between funds		326	(326)	-
<b>Net movement in funds</b>		<u>(38,395)</u>	<u>47,625</u>	<u>8,870</u>
<b>TOTAL FUNDS AT 1 APRIL 2024</b>	20	<u>1,273,736</u>	<u>9,670</u>	<u>1,283,406</u>
<b>TOTAL FUNDS AT 31 MARCH 2025</b>	20	<u>1,235,341</u>	<u>56,935</u>	<u>1,292,276</u>

**WORTHING THEATRES & MUSEUM**

England & Wales - Charity number 1185189

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# Accounts

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worthing theatres and museum

Registered Charity Number: 1185189

# **WORTHING THEATRES & MUSEUM**

## **TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

# WORTHING THEATRES & MUSEUM

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## **CHARITY INFORMATION**

**For the year ended 31<sup>st</sup> March 2024**

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### **Reference and administrative details**

#### **Trustees**

S B Marshall (Chair)	(Vice Chair until 11 June 2024, appointed as Chair 12 June 2024)
P Cadwallader	(Resigned as Chair 12 June 2024)
L Burgess	
L Cassidy	(Appointed 18 May 2023)
A S Comben	
J Kapsalis	(Resigned 02 March 2024)
C Kelly	
A Lapper, MBE	(Resigned 08 June 2023)
O Mokuolu	(Appointed 5 June 2023)
S K Parsonage	
H Persson Swain	
A Sparsis	(Appointed 19 May 2023)

### **Executive and Senior Management**

Current officers and those who served during the period are as follows:

#### **Executive Team:**

Amanda O'Reilly	Creative Director & CEO
Jill Stewart	Executive Director (Company Secretary)

#### **Senior Management Team:**

Gerry Connolly	Head of Museum & Exhibitions
Gemma Curtis	Head of Programming
Bernard Dodds	Head of Finance
Jackie Friend	Head of Marketing & Audience Development (March-October 2023)
Kevin Quilty	Head of Marketing & Communications (appointed November 2023)
Rachel Madden-Ward	Head of Customer Experience
Hannah Williams	Acting Head of Customer Experience (from July 2023)
Matt Pike	Head of Technical & Production
Michael Harbour	Head of Buildings & Sustainability (appointed November 2023)

**Charity Registered number:**

1185189

**Principal Office:**

Connaught Theatre  
Union Place  
Worthing  
BN11 1LG

**Secretary:**

J Stewart

**Auditors:**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Principal Bankers:**

Barclays Bank  
1 Chapel Road  
Worthing  
BN11 1EX

**WORTHING THEATRES & MUSEUM**  
**TRUSTEES' REPORT**  
For the year ended 31<sup>st</sup> March 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.

## **Foreword by Scott Marshall, Chair**

Worthing Theatres & Museum strives to provide a cultural offer which enriches the lives of everyone in our community through vibrant, creative arts and heritage. We are the custodians of a set of vital community assets that provides a place for fun and delight, a place for inspiring and sometimes challenging discourse, a place to see the humanity in people, a place that encourages and supports a cohesive community.

The charity has completed a detailed and comprehensive Business Plan for April 2024 to March 2030 with six key strategic aims:

- financial stability
- serving our community
- vibrant cultural & heritage programme
- make our theatres and museum green
- developing our audiences
- capital redevelopment of our incredible buildings

In 2023/24 Worthing Theatres & Museum has continued to strengthen its position and develop its strong cultural offer with several notable events including *Metamorphosis* by Frantic Assembly bringing 1,521 students through our doors; *Hairy*, which was our first co-production with Spymonkey and Polka Theatre, and the stunning exhibition *Interweaving Spaces* by award-winning artist Dr Gil Mualem-Doron.

None of this could be achieved without the continuing, generous support of Worthing Borough Council. We share a vision and ambition for culture, and a clear understanding of the importance of creativity for a thriving and happy community.

It is a key strategic aim of the business plan to achieve financial stability by developing a robust and sustainable business model with a focus on increasing earned income (via ticket sales and secondary spend income) and increasing our contributed (fundraised) income. In 2023/24 we began working with leading cultural sector consultancy, Achatés, to develop a new strategy to increase both revenue and capital fundraising which is already reaping positive results.

Worthing Theatres & Museum has made crucial investment into the buildings, directly responding to feedback from our audiences and visitors, which has included a full set of auditorium seats with a raked midsection in the Pavilion Theatre improving comfort and sightlines, state of the art hearing loops that are now being installed across the venues and the current refurbishment of the substandard gents washroom in the Assembly Hall.

Worthing Theatres & Museum is a resilient and efficient charity that is passionately focused on delivering a creative cultural programme. We are connected to the people of Worthing, constantly seeking and listening to feedback, supporting and stimulating local creatives, actively committing to work that represents all sections of our community and providing inspirational experiences and a huge amount of joy.

## **Executive Team Report**

WTM is going from strength to strength, facing challenges head on, proving our resilience and achieving a vibrant and stimulating cultural offer whilst maintaining financial stability. However it is clear that the next two years, with funding reductions and the cost of living crisis continuing, will require the charity to continue our determined commitment to succeed, to work hard to thrive in a difficult climate and to connect in a meaningful way with the people of Worthing.

### **Financial stability<sup>1</sup>**

At the end of the 2023/24 financial year total trading income at WTM was £3,571,700. This included £2,376,500 of income from the sale of 196,972 tickets for WTM events; a further £215,000 from venue hire, with an additional 44,935 tickets sold (culminating in a total of 241,907 tickets sold), as well as film advertising; and £980,200 of other income from catering/bars, recharges, donations, memberships and merchandise.

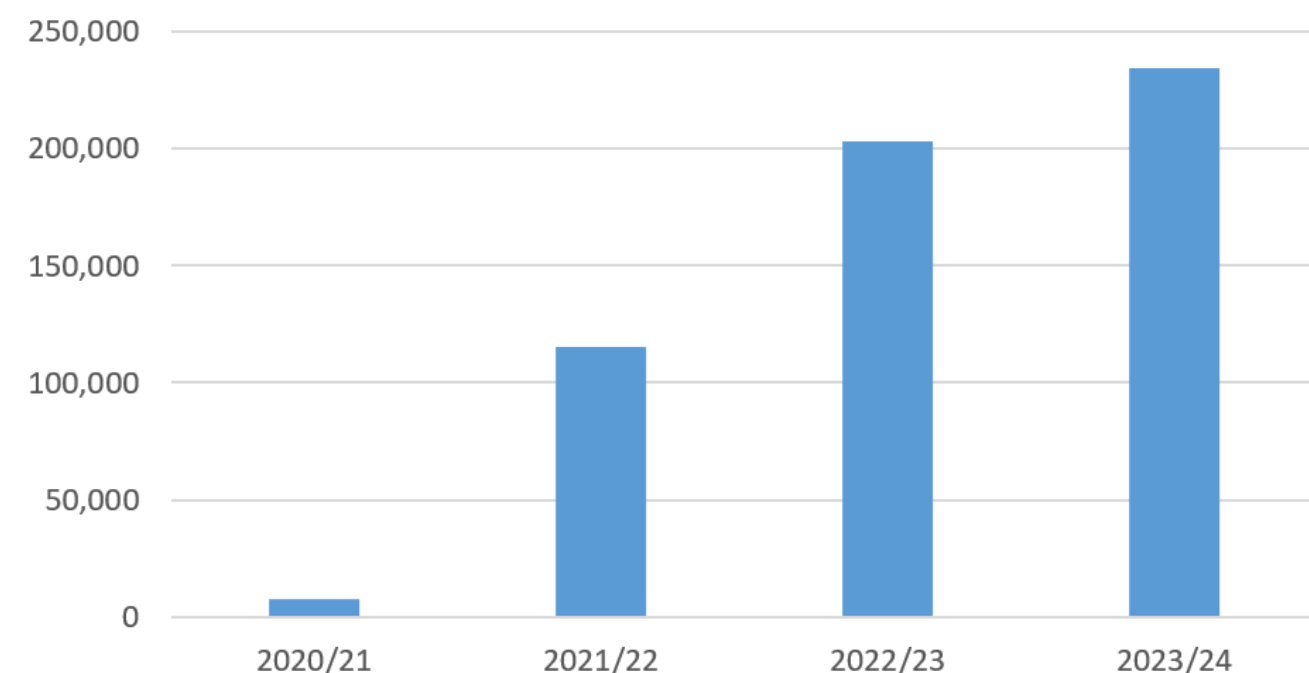
Our 2023-24 annual unrestricted turnover was £4.99 million (£5.13 million including restricted income).

The total value of WTM to the local economy can be estimated at £10,101,400, an increase of £1,132,600 on 2022/23 (12.6% increase). The economic impact delivered by WTM in 2023/24 is 77% of the 2019/20 historic peak in performance; this clearly demonstrates the level of WTM's post-pandemic recovery. The continuing focus on diversifying and improving the quality of our programme is paying dividends in encouraging audience engagement. This provides a return of £7.10 for every £1 invested by Worthing Borough Council, an increase on the previous year (2022/23 £6.12/£1 invested).

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<sup>1</sup> Data from Worthing Theatres & Museum High Level Economic Impact Study 2023/24 by Blue Sail

## WTM Ticket Sales



TRG Arts' Benchmark data<sup>2</sup> examined ticket and sales data of 129 theatres in the UK which showed a dramatic growth from the pandemic low of 2020 - demand has grown and more tickets are selling which is certainly true of WTM with a strong year on year growth in tickets sales. However, despite this positive trend, inflation has risen by 21% since 2019 so theatres across the country are putting on more shows, selling more tickets and building demand but with average ticket prices only increasing by 12% for the 129 theatres, the ticket increase has not kept pace with inflation. We are feeling the impact of every other industry, particularly utilities, raising their prices whilst theatres remain sensitive to the cost of living crisis and the effect increased ticket prices would have on our audiences; potentially adding to their economic burden or worse, and may discourage them from buying tickets at all. This situation is preventing the industry from fully recovering. We are combatting this in 2024/25 by developing our dynamic ticket pricing and focusing on our secondary spend with new software to support pre show and interval drinks orders and merchandise at the point of ticket sale.

While the cost-of-living pressures are adding to the current challenging market conditions, the scale of WTM's recovery since 2020 points to a resilient and innovative organisation with a strong offer, which has achieved sustained year on year growth and is well positioned to continue this growth, developing new audiences and expanding the programme of events.

We have provided a varied high-quality programme of performances and events that inspire, challenge, educate and entertain; not forgetting the importance of a good night out with a plethora of comedy and music shows. WTM has continued to develop its programme of events, building a reputation for innovative work and is particularly noted for its contemporary circus programme, an example of which is *The Chosen Haram*. This is a striking piece of work with an intensely moving consideration of a man whose religion and upbringing contradicts their personal truth and sexual identity. This high quality

<sup>2</sup> <https://trgarts.com/blog/ticket-sales-and-revenues-are-up-why-does-it-hurt> (accessed July 2024)

programming led to WTM's programmers being invited to the Adelaide Festival in February 2024 as part of the funded HoneyPot Scheme, which in turn has influenced future programming.

We are more connected than ever to our community, creating a safe and inclusive space for the community to come together to enjoy culture & heritage, encouraging and celebrating social integration and working to prevent people from becoming socially excluded by removing barriers to entry. We have continued our programme of free outdoor summer events, provided 326 free pantomime tickets through the Food Bank, Mind and Safer in Sussex, participated in the School holiday HAF project and developed our winter Warm Spaces offer.

In 2023/24 3,212 local people performed on the WTM stages, 10,423 school children attended shows or visited the Museum, and 242 local artists exhibited in our Galleries.

Throughout our work we champion inclusion, supporting the creation and presentation of work that celebrates diversity with twelve performances/exhibitions which showcased the work of creatives with protected characteristics as part of our "*We Are Here*" programme.

WTM is proud to serve its community and determined to actively contribute to the wellbeing and happiness of the people of Worthing.

## **Looking Forward**

In 2024/25 we need to continue to focus on financial stability by maximising our income streams. It is crucial that we increase our income and make savings this year to prepare for the 10% reduction in the service payment which Worthing Borough Council have had to make by 2026/27 due to pressures on local authority funding. As ever we thank the Council for their continued financial support. We have a strong Business Plan in place to increase both earned income from ticket sales, venue hire and secondary spend as well as our contributed income from fundraising.

We will be procuring a new, fit for purpose website that will make the purchasing of tickets, particularly film tickets, much easier and will thus increase sales along with other digital software improvements including crowdEngage which will help streamline operations and improve communications with our audiences. We will increase our consultation and evaluation, interrogating our data to inform the allocation of resources and the programming of events and activities.

We continue to face the increasing challenges presented by ageing buildings and equipment. In 2024/25 we will develop a 10 year detailed plan for the venues to sit alongside our Business Plan which will include Feasibility Studies for both the Connaught Theatre and Pavilion Theatre. We will be planning the scope of work and fundraising for phase one of the Museum's *Let the Light In* project to increase the size of the Education Room so that we can support full class sizes, and begin the design work to redisplay the toy collection in the currently unused south-east corner of the ground floor.

We will continue to make improvements across the venues with the much needed refurbishment of the gents washroom in the Assembly Hall and the redecoration of the Connaught washrooms. We will also be replacing two steps in the Pavilion auditorium with a ramp so we can give our customers who use wheelchairs a wider choice of positions to enjoy the shows. We are planning capital improvements to the Assembly Hall bar and the Connaught Kiosk to streamline the points of sale and increase income, particularly at the challenging intervals of busy shows. This secondary spend income stream will also

be improved by the installation of crowdEngage, which will integrate with our ticketing system, allowing advance preshow and interval orders.

In 2024/25 we will be developing a strategy to increase our youth engagement, fundraising for a part time Youth Coordinator who will manage a series of pilot projects and events. These will instigate a dialogue with young people and enable WTM to make an NPO bid in the Autumn of 2025, for funding from 2027, focused on youth engagement.

The Museum also has two exciting outreach projects in 2024/25, *Burpham Big Dig* project and *Highdown Revisited*.

Sustainability is a key focus for WTM. During 2024/25 we will be working closely with WBC on the Worthing Heat Network which will replace the conventional gas fired heating systems at all of our venues with air source heat energy, dramatically reducing our carbon footprint. There is a detailed plan of works for each building to reduce heat loss before the install at the Connaught Theatre & Studio, Assembly Hall and Museum which is planned for the third quarter of 2025.

We are also focused on reducing our utility usage by 10%, improving our recycling by 25% and eliminating single use plastics. The new website will clearly state our environmental aims as well as giving clear information to our audiences and visitors on electric charging points, bike racks and public transport.

Finally, we would both like to thank our audiences and visitors for their continued support and valued feedback, the WTM Staff Team and Volunteers for their exceptional hard work and commitment to the organisation and our dedicated and experienced Board of Trustees for their continued support and guidance.

**Amanda O'Reilly, Creative Director & CEO**

**Jill Stewart, Executive Director (Company Secretary)**

<b>Our Vision</b>
A community in which everyone's lives are enriched through vibrant, inspiring, creative arts and heritage

<b>Our Mission</b>
To enable everyone to access arts and heritage by:
★ Reaching out into communities, providing accessible pathways to experience creativity, actively contributing to their wellbeing and happiness
★ Championing inclusion, supporting the creation and presentation of work that celebrates diversity
★ Creating aspirational opportunities for young people within the cultural industries
★ Delivering a year round, rich and diverse programme of cultural activity, creating shared experiences that inspire, challenge, educate and entertain
★ Developing opportunities and partnerships with artists and companies
★ Ensuring financial resilience and long term viability whilst providing best value
★ Promoting positive place making, providing social and economic impact

<b>Our Values</b>
In everything we do we will:
★ Support and enhance the wellbeing of everyone we interact with
★ Nurture a culture of collaboration, respect and integrity
★ Listen and respond to our community and the sector
★ Commit to inclusivity across all aspects of the charity
★ Promote excellence
★ Take responsibility for our environmental impact

**Worthing Theatres & Museum is a Registered Charity (No. 1185189). WTM became a Charitable Incorporated Organisation (CIO) (CE018745) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.**

## **Who We Are and What We Do**

Worthing Theatres & Museum (WTM) is a unique arts and heritage charity (Registered Charity No. 1185189) with a large portfolio of distinct venues, all positioned within the heart of Worthing in West Sussex. We are custodians of the Theatres and Museum and strive to make our community feel a sense of ownership and pride in these incredible cultural resources.

Our ambitious cultural offer includes a vibrant and entertaining programme of performances (theatre, contemporary circus, dance, comedy, music, family theatre, talks), events, film, exhibitions and workshops.

We also manage a museum collection of national significance (costume, archaeology, fine art, toys), host the work of a diverse range of artists in our gallery spaces, present a free annual outdoor summer festival and collaborate with leading UK producing and touring companies.

We are a place-based cultural charity driving social, cultural and economic transformation across our communities. Collaboration and partnership are at the heart of everything we do. We provide a wide variety of opportunities for people to engage with the arts, culture and heritage which contribute to social cohesion, expand horizons and inspire creativity.

Our charitable objectives provide a framework which helps guide and steer our organisation, ensuring that we champion equality, inclusivity and accessibility in all of our work. We endeavour to identify those individuals and groups who are under-represented and increase accessible pathways for those who might not have access to, or feel excluded from, high-quality arts and heritage.

**Promotion of Arts & Cultural Activities** - Providing and facilitating access for the community to enable engagement, participation and the promotion of theatre, the dramatic arts and cultural & heritage activities.

**Education** - Delivering an education programme, which informs the community of the rich, varied and important nature of their arts and heritage, including theatre, the dramatic arts, and the preservation of important historical collections of decorative arts & clothing.

**Social Inclusion** - Creating a safe and inclusive space for the community to come together to enjoy culture & heritage activities; encouraging and celebrating social integration, preventing people from becoming socially excluded, and relieving the needs of those who are socially excluded.

**Social Welfare & Engagement** - Promoting, providing and assisting in the provision and facilitation of an accessible and diverse programme of arts and heritage activities and facilities for everyone; advancing public participation and engagement with arts and culture.

In 2023/24 we welcomed 320,407 people to the venues, including 85k visitors to the Museum;

- Museum and Gallery
- Connaught Theatre (520 seats)
- Connaught Studio (164 seats)
- Pavilion Theatre (750 seats)
- Pavilion Atrium (creative space with option for 200 seats)
- Assembly Hall (950 seats)

The organisation generates income through ticket sales, fundraising & sponsorship, and secondary trading activities, such as Bars & Concessions and Venue Hire. WTM receives a significant annual service payment from Worthing Borough Council for the management and development of its cultural assets. WTM has a trading subsidiary company, Worthing Theatres & Museum (Trading) Ltd (12296105) that is responsible for the non-charitable activities and is wholly owned by the charity.

**Leadership** - Day to day executive management of WTM is delegated to the CEO / Creative Director and the Executive Director (Company Secretary) who are accountable and report to the Trustees. They hold all powers not expressly reserved to the Board or delegated by the Board to Committees, subject to the policies and strategy set by the Trustees and within an annual operating plan and budget approved by the Trustees. These powers may be exercised, on their behalf, by members of the Senior Management Team with their clear and express permission: Head of Finance, Head of Museum & Exhibitions, Head of Marketing & Communications, Head of Buildings & Sustainability, Head of Programming, Head of Technical & Production, Head of Customer Experience.

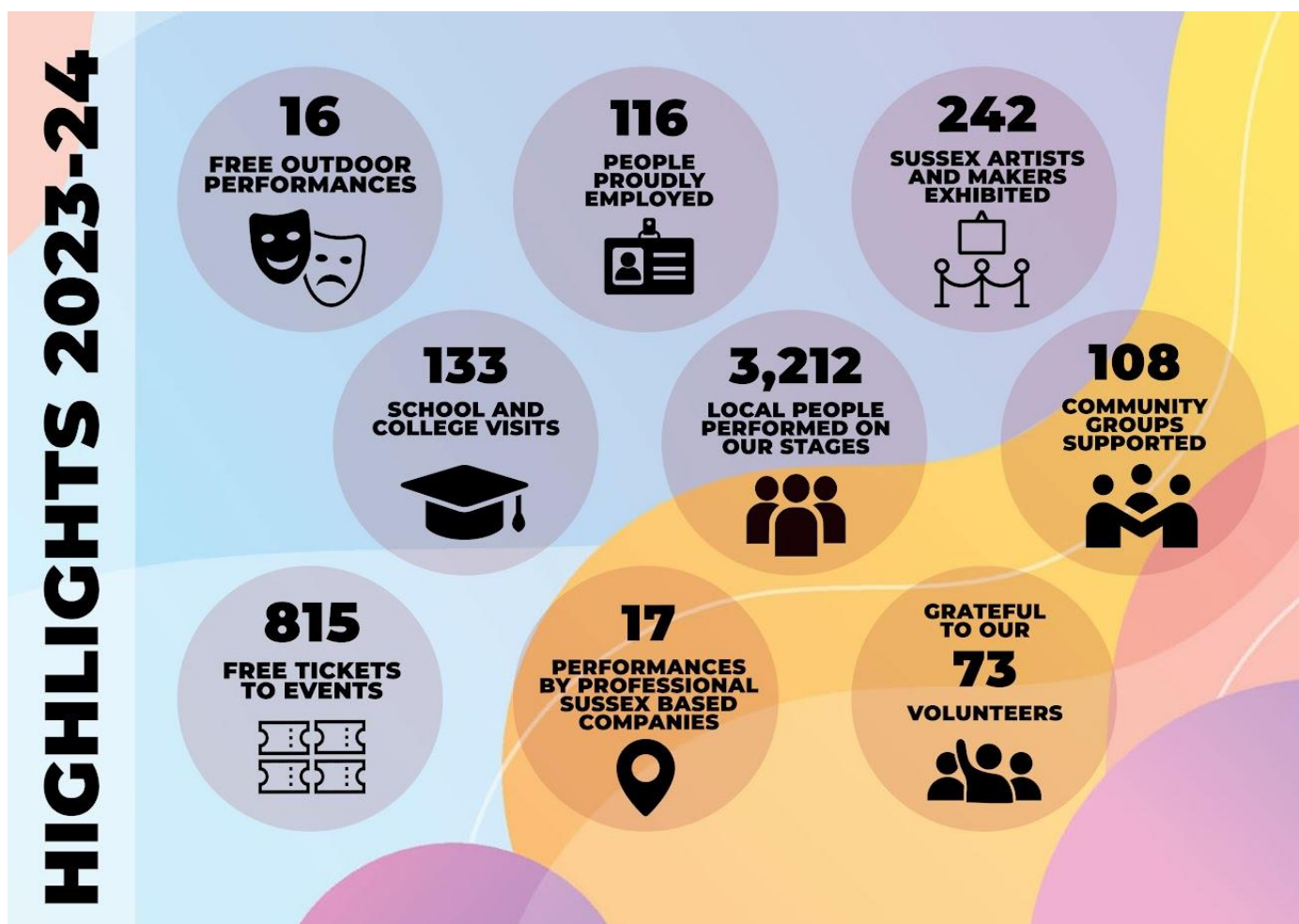
WTM offers an inspiring and supportive workplace that promotes unity and diversity, opposing all forms of discrimination, providing an environment where differences and what we have in common are celebrated. We engage with responsible and respectful working practices and empower our team to shape and deliver WTM's key objectives with integrity. WTM has an active staff forum, a strong code of conduct and regular training programme that includes EDI.

## Serving our community - a positive social impact

WTM is a place-based cultural charity which brings people together, building civic pride, inspiring creativity - making Worthing a great place to live and work. Collaboration, partnership, and community is at the heart of everything we do.

26% of our ticket buyers are defined as less engaged in culture

23% of our performance programme is local / community use



WTM has a strong programme of diverse work that aims to represent all sections of our community on our stage and in our galleries. Diverse productions and exhibitions can be a catalyst for change, promoting understanding and empathy. With fifteen different events, our representative programme of work *We Are Here* reflects the absolute commitment to promoting a broad range of cultural and personal experiences and diversity on our stages, prioritising those pieces made by diverse led companies and artists.

- Featured in our accessible, outdoor performances in the summer - Srishti Dance's *Bells, Beats and Banter* taking place in Montague Place and *Look Mum, No Hands!* by Daryl & Co and *Mimbre* on the Pavilion Promenade.

- An absolute highlight of this programme being *The Chosen Haram* by Sadiq Ali, which bravely explores the personal struggles faced by many people whose upbringing contradicts their personal truths, a performance that brought the whole audience to their feet.
- Frozen Light came to us with their new work - *The Bar At The End of Time*. As leaders in their field, offering dynamic multi-sensory theatre for audiences with profound and multiple learning disabilities (PMLD) and is for very small audience numbers.

Our exhibition programme also featured work by diverse artists including:

- *Ukrainian Renaissance: Art, Craft and History* - 15 Ukrainian refugee artists with differing styles, mediums and backgrounds represented the best Ukraine has to offer with its rich and diverse cultural contribution to European culture over more than a thousand years of history.
- Ukrainian Culture day - a day of celebration of *Ukrainian Renaissance: Art, Craft and History*, exhibition in the Studio gallery. With traditional carols, workshops, folk dance and traditional snacks. The event was organised by the museum team with help from the Worthing Ukrainian Friends' Network charity and supported by Worthing Lions.

In September 2023 the University of Leicester unveiled guidance for trans-inclusive practice, which has the backing of a wide range of cultural organisations including the Museums Association, is designed to help museums, galleries, archives and heritage sites be more ambitious and confident in advancing trans inclusion. WTM endeavours to represent all of our community and actively engage in the conversation around gender. The Exhibitions Team delivered a highly successful exhibition *Out of The Artist* which created a safe and accepting space for 19 local independent LGBTQIA+ artists to creatively share their voice and personal experiences, free from restrictions and discrimination.

During the summer of 2023 we programmed 16 free outdoor performances in the centre of Worthing as part of our *Spin Out* Outdoor Festival. Additionally we hosted a free circus day within the Pavilion Atrium which allowed for an engaging participation experience for all ages. The free programme offered the highest quality of circus and dance performances and engaged with local residents and visitors, overcoming the financial and other access barriers of a ticketed event.

In the summer of 2023 Worthing had its first cultural festival with 16 events provided by WTM including two incredible free outdoor aerial pieces (*Wild* by Motionhouse and *Why* by Gravity and Levity).

We worked in collaboration with key partners including Worthing Food Foundation, Storm, Safe in Sussex, and West Sussex Mind to put 326 pantomime tickets in the hands of people who would not have been able to attend or bring their families.

WTM successfully received a second round of funding from the Holiday Activities Fund and provided show/film tickets, lunch, and workshops for free for 153 children in 2023/24 over the Easter, summer and winter holidays.

In January we repeated the successful Warm Spaces scheme offering space and hot drinks in both the Connaught Theatre and the Museum for 10 weeks. As part of the scheme we provided 120 family film tickets and a further 270 film tickets on Monday evenings.

Volunteering opportunities have always been important to WTM both for the incredible support they bring to the organisation and for the support we can give to people in our community who may need to build confidence to rejoin the workforce or may be suffering from loneliness or anxiety. We are proud to have an average of 73 volunteers over the year who are valued members of the team. Our volunteers work on shows supporting the front of house team, help us distribute our marketing materials across the borough and work with our curators and conservators on the museum collections.

As well as our usual volunteering opportunities, WTM has proudly run the 100% project with our first seven participants. WTM has also been able to offer a number of short term volunteering and work experience placements working with partners in the community including the Sand Project to deliver bespoke experiences for young people and adults in the community. The Museum has supported two PHD students working on the historic dress collection. Our Technical Apprentice finished their training and joined the team full time, and we will have a new apprentice starting in August 2024.

WTM Educational Engagement with Students	
	No of students engaged with
13 Museum Visits to Schools	1,318
18 School Visits to Museum	
13 Loan Boxes to Schools	780
<b>Total</b>	<b>2,098</b>

Working with formal education remains challenging with less middle schools able to book museum visits citing the cost of bus hire. In response the development team has secured funding from the *Tesco Stronger Starts* fund Pulborough, Littlehampton and Shoreham to work with schools in the area and support them visiting the museum. We continue to work with schools to eliminate as many barriers as possible to enable museum visits and outreach.

We have had a dramatic growth in secondary school groups attending theatre and dance performances with 33 school groups attending Frantic Assembly's *Metamorphosis*, 6 schools attending Jasmin Vardimon's *ALiCE* and 14 schools attending Headlong's *Macbeth*.

We continue to partner with further and higher education establishments. Northbrook College exhibited work from their 3rd year costume students focused on sustainable making, which produced six mid-18th century (1740-1765) menswear outfits from upcycled fabrics. Northbrook students once again made a series of props and PR pieces for our pantomime including wands, a golden axe, swords, a magical book as well as a giant version of the book for the Atrium.

We auditioned Chichester University students on the Triple Threat Course (singing, dancing and acting) and cast two of the ensemble as well as our *Sleeping Beauty* from the students - a fantastic start to their professional careers.

## **Programme development – a vibrant cultural and heritage offer**

WTM continues with an extensive and varied programme of events and activities which totalled 3,532 in 2023/24 and included a full range of live events (theatre, comedy, dance, music, circus, talks, family

shows), the ever-popular pantomime, film & live screenings, exhibitions, free outdoor performances, archaeology walks and a huge range of workshops.

WTM focuses on the continued development of the programme. This is managed, built and developed through many different approaches and engagements.

We are an active member of House - the southeast theatre network of 180 arts centres and theatres. Through the House initiative, the CEO/Creative Director and Head of Programming are supported to attend the Edinburgh Festival, the leading opportunity in the UK to see new work, meet and network with companies; all of which inspires and influences the programme. The CEO/Creative Director has since become a leading member of House's International Touring Network, with trips planned for 2024 including Cork Festival and Caravan (part of Brighton Festival). We also attend the Theatre for Young Audiences (TYA) Venue Programmers Consortium - a consortium for people across the country who programme work for children and young people.

In 2023, WTM was selected from a European wide application process, to attend the Adelaide Festival as guests of the Honey Pot Scheme including Leaps and Bounds, an intensive two day Circus & Physical Theatre pitching and networking event, that brings together programmers, presenters, agents, bookers, venues and producers from across the world. We were chosen because of our reputation for extensive, dynamic and focused programming of contemporary circus over the last six years, our track record in working with Australian companies and the nature and variety of our performances spaces. This was an amazing opportunity and provided WTM the chance to make new and lasting partnerships, develop our contemporary circus/physical theatre programme and build the charity's reputation as a cultural leader.

**R&D Company Support** - WTM selects a number of companies each year to support with rehearsal and development space and time. In 2023/4 WTM hosted 86 days and 22 evening sessions of R&D across traditional theatre, comedy, dance & circus, including Sussex based Lila Dance, Jen Irons, A&E Comedy, Gravity & Levity and Dionysus. We also hosted professional classes from Lila Dance which further supports both the company and the development of the local professional dance network.

## **Live Events**

We held 282 ticketed live events in the venues with 87k tickets sold. This was a diverse and excellent programme, a balance of big hitting commercial content and memory making quality performances.

The commercial theatre work included a week-long run of Peter James' - *Wish You Were Dead* (July 2023). Other notable theatre runs were *Metamorphosis* by Frantic Assembly (October 2023) and a debut visit by English Touring Theatre in March 2024 with a dynamic retelling of *Macbeth*. As well as making a big impact on the young audiences attending it was a programming coup to bring ETT to Worthing and retain the relationship with Frantic Assembly.

It is clear that the 'Good Night Out' programming continues to delight local audiences as we show strong sales for the return of Worthing favourites *That'll Be The Day* and *A Country Night in Nashville* alongside new touring offers, *Queen By Candlelight*, Gareth Malone's *Sing-Along-A-Gareth*, his choir-

based sing-along. We were delighted to be part of the debut stage tour of the popular BBC podcast *Uncanny* and worked hard to engage with podcast producers to bring other titles to WTM.

Along with Martin Kemp returning in December 2023 for another sold out party DJ set and other contemporary music hires including KT Tunstall, the music programme continues to be wide ranging, offering many different genres to different audiences.

Comedy also continues to perform extremely well with a demand for the big names packing out the Assembly Hall and Pavilion, with sold out shows from Jimmy Carr, Ross Noble, Sarah Millican, Geoff Norcott, Chris McCausland, Frankie Boyle and Jen Brister amongst many others. Smaller shows in the Atrium continued to help to build relationships with agents and promoters in a very competitive market.

Classic family titles of excellent quality were much loved by the family audiences in Worthing last year; a fantastic *Tales From Acorn Wood* - the new stage adaptation of the much loved Julia Donaldson title, *Mog the Forgetful Cat* as well as classic Sooty. We also offer comedy shows for kids who do not necessarily attend theatre and are looking to diversify this offer further in 2024/25. This year was our first Co-production with Polka Theatre and Spymonkey; we worked together on the new children's show *Hairy* which opened at Polka and then transferred to Worthing in August.

Another title that had young people in the venues in great numbers was the visually stunning *ALiCE* by Jasmin Vardimon Company. This was a highlight in the dance programme - Worthing being one of only a handful of venues on the tour and the work transferring from Sadler's Wells. Local Worthing based professional dance company Lila Dance premiered their new touring production of *Fault Lines* in February; this premiere was a perfect example of providing the stage for leading creatives in the South East to present quality work.

## **Pantomime**

Worthing is renowned for its pantomime. We continue to work closely with PHA to jointly produce a creative and fun, family focused show. In 2023/24 *Sleeping Beauty* sold 28,241 tickets across a 55 show run; an 85% occupancy. 27% of our panto bookers were booking for the first time which is marvellous. 16% bookers re-engaged with WTM having previously been classed as 'Stale' (a customer who has made a transaction in the last three years, but not for 18 months), or 'Lapsed' (a customer who has purchased a ticket over three years ago).

During panto we sold 2,061 popcorn cones and 1,142 pick n mix cones!

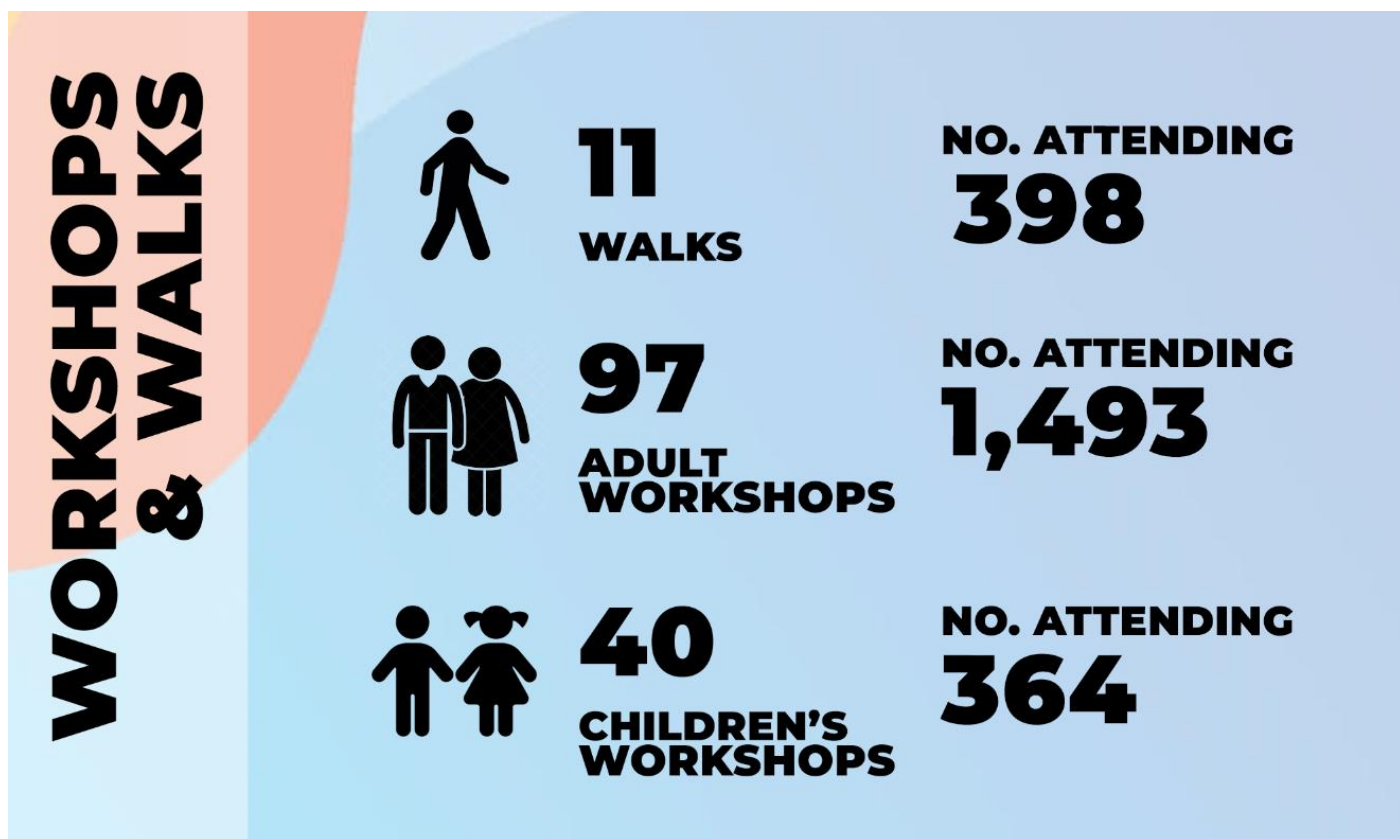
## **Film**

WTM held 2,696 film screenings across the year with 101k tickets sold, compared to £86k the previous year - a 16% increase but still a way to go until we reach the previous pre pandemic high of 2019/20 (152k).

Ticket income was up 30% on last year - from £399k to £519k. The reason this is a bigger comparative jump than the admissions is due to the small price increase implemented and a stronger return for the higher priced Screen Arts events (pre-covid comparison - in 2019/20 this was £718k). Film hire costs were £236k, representing 45.7% of revenue. Profit was up 28% on last year from £218k to £280k.

One of the great strengths of the film programme is the great mix of types and scale of films within genres and the broad appeal to audiences of action/drama/arthouse/mainstream. Some of these titles - *Barbie/Oppenheimer* etc are hits across the UK - some, such as *Wicked Little Letters* particularly took the Worthing audiences by storm - the Connaught had the highest sales for *Wicked Little Letters* nationally over the opening weekend.

## Participation



WTM held 137 workshops/classes during the year attended by 1,857 people and covering a very broad range of activities including: dressmaking, still life drawing, textile printing, song writing, garden design, classical Indian dance, Argentine tango, ballroom dance and numerous craft workshops for children.

This year we introduced a new series of afternoon talks at the museum which have been well received and like the walks programme, sell out. This programme is continuing in autumn 2024 and spring 2025.

## Museum

National Visitor Numbers - The Association of Leading Visitor Attractions (ALVA) have released figures that show indoor museums have outperformed outdoor attractions for the first time since before the pandemic (according to the 2023 visitor figures). The figures show that total visits to ALVA's member sites grew by 19% last year, however footfall still remains 11% lower than the pre-covid peak. Worthing Museum had a growth of 3.34% last year but continues to buck the trend with a 53.86% increase in visitor numbers against pre-covid figures.



**Main Gallery:**

- *Filling the Void - 35 Years of TV Production Design* - Richard Drew. Celebration of the creative process in set design by an ex student from Northbrook College.
- *Interweaving Spaces* - award-winning artist Dr Gil Mualem-Doron. This large-scale immersive installation combined ideas of biodiversity and cultural diversity to address the disastrous effects of climate change on vulnerable countries.
- *The OPEN23* - The biennial WTM OPEN Exhibition. *The OPEN23* offered artists from across Sussex the exciting opportunity to exhibit their work within a distinguished gallery space.

268 artists submitted work	604 pieces of art submitted
133 artists selected	299 pieces of art on display

**Studio Gallery & Norwood Gallery:**

- *Standing Perilously on the Edge* - Mixed media exhibition by artist Madeleine De Angelis and photographer Lorenzo Ali that provokes discussion and stimulates audience awareness, considering the impact of industry, fashion, population and mental health and asks what the future looks like.
- *Out of the Artist* - Celebrating local LGBTQIA+ artists. This exhibition creates a safe and accepting space for 19 local independent LGBTQIA+ artists to creatively share their voice and personal experiences, free from restrictions and discrimination.

- *Ukrainian Renaissance: Art, Craft and History* - 15 Ukrainian refugee artists with differing styles, mediums and backgrounds represented the best Ukraine has to offer with its rich and diverse cultural contribution to European culture over more than a thousand years of history.
- *As We See It Now - The Society of Sussex Painters, Sculptors and Printmakers at 100* - (1924-2024) by The Society of Sussex Painters featuring 18 artists.
- *Why Do We Wear Clothes?* - Helen Hancocks is a bestselling author-illustrator of picture books based in Lincoln, UK. The exhibition showcased Helen's original artwork for her book alongside items from the museum's historic dress collection.

## Collection management

Objects continue to be offered to the museum collection and the Curators carefully select appropriate items to accession. The objects added in the last financial year fill gaps or enhance items already in the collection. All items are accessioned in line with the museum Accessions Policy.

Accessioned items included: a Middle Bronze Age gold penannular ring from Coombes; the *Somme Times*, printed newspaper from the trenches, 1916; Footwear, Harlow style t-bar wedding shoes made by Rainbow Club; a Covid facemask made by Yinka Shonibare for the Contemporary Art Society; and a black pedigree walker doll, wearing a blue knitted dress coat.

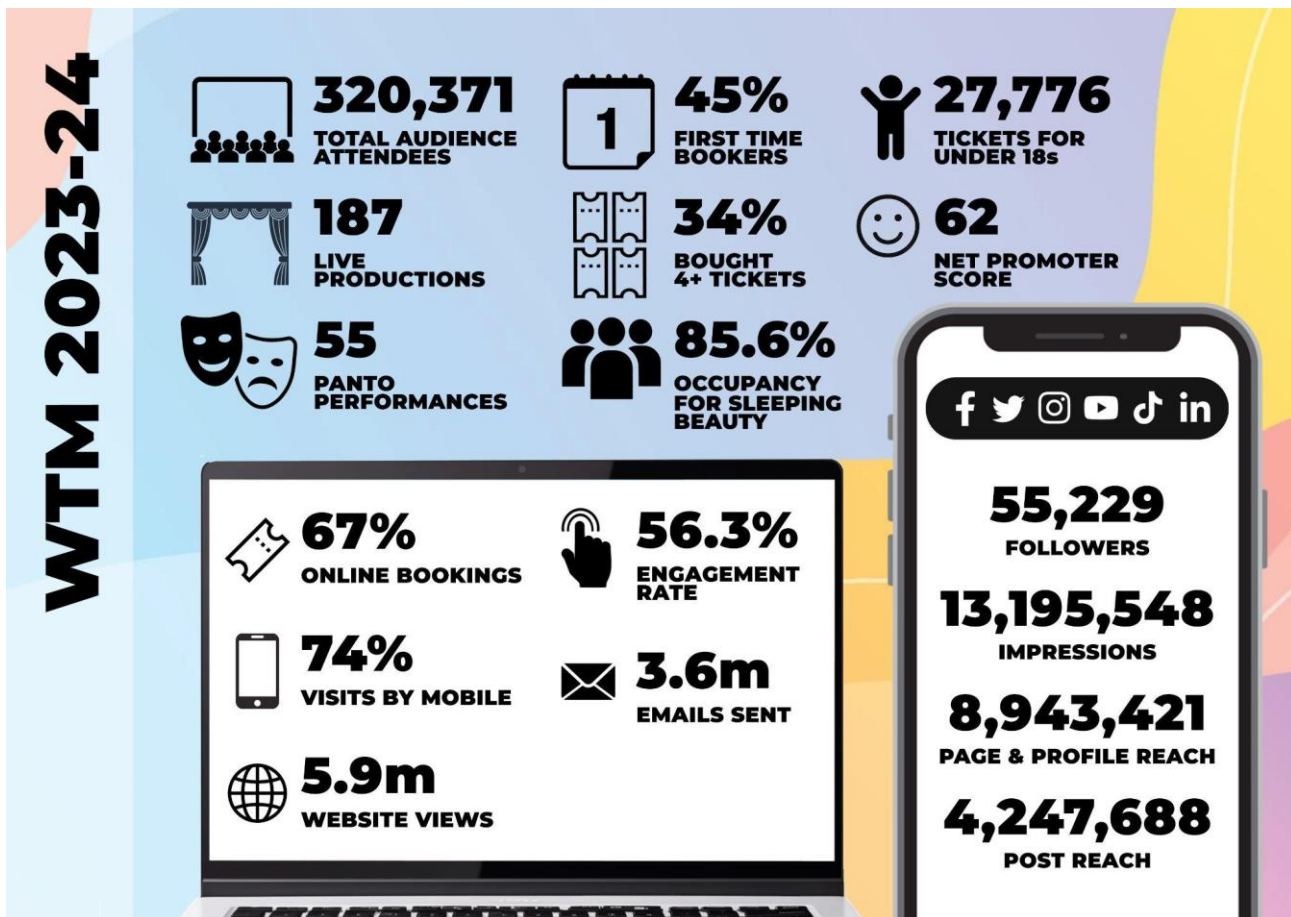
Loans out -

- Bianca, a portrait of the Shakespearean character from *The Taming of the Shrew* by pre-Raphaelite artist William Holman Hunt, went on loan to San Domenico Museums, Forli, Italy for an exhibition titled '*The Pre-Raphaelites. Modern Renaissance*'.
- A Dress made from WWII military silk escape and evade maps went on loan to National Museums Scotland for an exhibition titled '*Military Mapping*' which will be on display in the National War Museum, Edinburgh Castle.
- Three pieces from the Historic Dress collection have gone on loan to Derby Museums for an exhibition looking at the history of British Celanese at Pickford's House.

**Conservation** - The three paintings that were conserved and funded by the Idlewild Trust have been returned and they will be on display later in the year. We are constantly monitoring and repacking items in the collection as part of the ongoing preventive conservation programme. A team of volunteers from Worthing Archaeology Society have been cataloguing the flint collection and updating the records. All collection areas continually host researchers with the main focus of research enquiries remaining on the Historic Dress Collection.

**Decolonisation** - The museum sector continues to focus on some big issues including decolonisation of collections and repatriation of objects. The museum team are engaged with these issues and are working on a policy regarding decolonising the collection, with a start made on the re-display of some of the decorative arts.

## Marketing & Sales

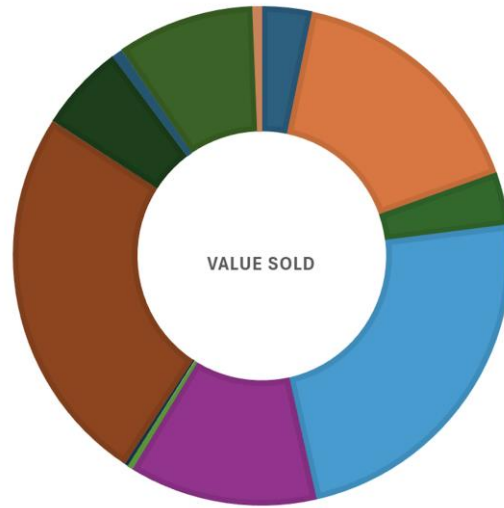
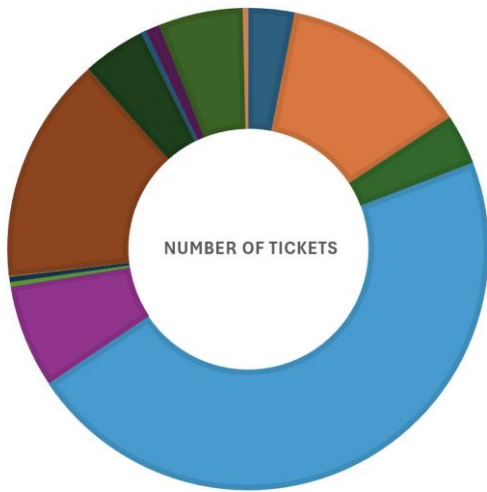


The cost-of-living crisis is not just a statistic, it is a reality that is significantly impacting the arts, culture, and heritage sector. The latest results from the Culture Participation Monitor paint a stark picture - people are attending cultural events less frequently than before the pandemic (38% attending less, but only 12% more) and even less than they were a year ago (35% attending less and 13% attending more). We have also seen inflation in the sector rise by 21% between 2019 and 2023 (TRG Arts). At WTM we have not passed these huge increases on to our audiences with our average ticket price increasing by 4.14% between 2022/23 and 2023/24, compared to 28.19% for benchmarked organisations (The Audience Agency).

Audience figures were strong across our auditoriums and museum, with over 320,000 attending in 2023/24.

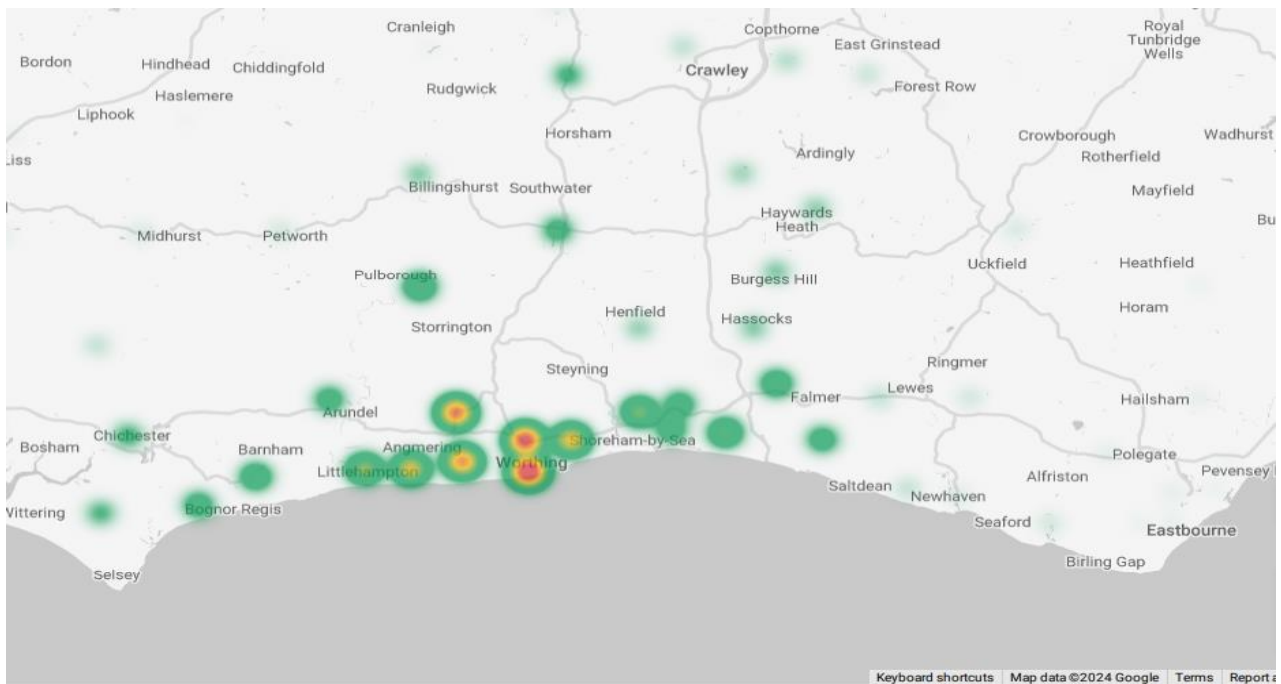
Film continues to be the number one driver of audience numbers, followed by music and panto; however, this is not the same with the income generated due to the very low ticket price for non-screen arts films, with the average ticket price of around £6.50

With visiting companies, including Frantic Assembly and English Touring Theatre, we have seen people travelling from further afield for drama. With these organisations adding WTM to their tours, it has been an opportunity to work with local schools to see nationally significant companies in Worthing. *Sleeping Beauty's* performance was very well received, with 85.6% occupancy.



- Children/Family
- Panto
- Dance
- Film
- General Entertainment
- Literature
- Museum/Heritage
- Music
- Musical Theatre
- Other Artforms
- Outdoor Arts
- Plays/Drama
- Traditional/Visual Art
- Workshops

Audiences for WTM continued to be strongest from households within 3.5km of the town centre.



Quantity 0 16,021

## **Audience Development**

In 2024/25 we will launch WTM's audience development strategy, *From Stranger to Champion*. Our goal is clear - to grow, know, and retain our audiences at WTM. We will kick-start this journey with our Digital Transformation, beginning with our website. With 67% of tickets purchased online and over 74% of visitors coming via their mobile devices, it is clear that our digital presence is crucial. We will streamline and personalise the website to enhance the online experience. We also aim to understand our existing audiences better, their relationship with WTM, what they come to see, and how we can increase their patron lifetime value to the organisation. This will be achieved through a series of automation programs with our CRM and by leveraging big data with Activity Stream. CrowdEngage will play a key role in driving income through improved automation of our pre-show communications.

Our digital marketing efforts, including the website and social media, have proven to be effective tools for engaging with our audiences. We have sent over three and a half million emails to our customers and reached nearly nine million people through social media. The high-profile exhibitions and visiting companies at WTM have also attracted significant press coverage, including features on BBC Radio Sussex and Sussex World, further increasing our reach and visibility.

## **Sustainability - Make Our Venues Green**

The Act Green Report which asked cultural audiences their views on climate change reported that 87% of audiences are worried about climate change and 93% had made changes to their lifestyle due to climate change.

77% of audiences believe theatres have a responsibility to influence society to make radical changes to address the climate emergency.

**Making Our Theatres and Museum Green** is one of WTM's six key objectives in the April 2024 - March 2030 Business Plan. WTM has established an Environmental Policy which includes an environmental action plan with a series of achievable goals that are measurable, and meet the aims of the Environmental Policy. We are now monitoring our utility usage and managing the consumption as part of our KPI targets. We aim to reduce gas, electricity and water by 10%, and improve recycling by 25% and will carry out environmental audits and act on findings.

WTM is an active partner in the Worthing Heat Network (part of Worthing Borough Council's Carbon Neutral Plan). Meetings took place in readiness for the future wide ranging number of improvements that will need to be made to the fabric of the buildings before receiving the Heat Network supply. The Connaught is planned to be connected in October 2025, with our other venues connected thereafter. This will reduce our carbon emissions from the new heating supply by up to 80%.

We now regularly communicate to staff to improve behavioural use of utilities and reduce carbon footprint and will be establishing a Sustainability Forum. We have already launched reusable plastic glasses, dramatically reduced the number of printed tickets with our barcode readers and increased recycling bins in the venues as well as considering our suppliers and keeping local as much as possible.

We have begun working through the Green Book audit and taken advice from Julie's Bicycle.

## Operations

### Customer Experience

Our post-show e-mail surveys showed overwhelming positive customer feedback regarding our staff and volunteers -

*“...Great staff, comfortable seating and lovely atmosphere 🌟”*

*“★★★★★ We went to see an amazing show at the Worthing pavilion. Buying the tickets was incredibly easy, the staff when we arrived were friendly and helpful”*

*“★★★★★ Absolutely fabulous place. It's so relaxing and should be advertised as a wellbeing service. I used to work nearby and miss going in at lunchtime to sit in the sculpture garden which is magical. Fabulous staff and amazing art. The nursery with the dolls house is so lovely. I adore the place and always donate.”*

### Bars & Concessions

Our Bars and Concessions enhance the customer experience and are a vital income stream.

Highlights of the year included:

- Bars and Concessions revenue up £49k (16.7%) on last year, with the gross profit up £66k (18.5%).
- Bars menu streamlined to speed up service and offer high quality products. Focussing on supporting local suppliers and producers where possible. In 2023/24 we introduced the exceptional, locally produced gin, Slake, as our premium Spirit. The distillery is a 5 minute walk away from the Connaught Theatre.
- 'Round up to a Pound' was introduced on the bars and kiosks to encourage audience donations. Work is under way to add a donation option to the credit card devices, making it quicker and easier to offer this option to customers during busy events.
- In 2023/24 we sold
  - 18,084 tubs of ice cream tubs (17,814 in 2022/23) across all venues
  - 11,891 servings of popcorn (9,492 in 2022/23) at the Connaught
  - 10,791 soft drinks (8,057 in 2022/23) at the Connaught

### Venue Hire

The venues have been hired for a total of 268 days over the financial year 2023/24 with 41 commercial/private hires, 37 non-commercial hires and 125 charity hires. This led to a total income of £186k, an increase of just over 13% from 2022/3. Aside from this income stream, the hire events have brought in additional income to other WTM departments, including Customer Experience, Technical and Marketing of £112k which more than covers the associated costs.

The local society musical shows have continued to build back in strength following the impact of the pandemic, with a week of sold out performances of *'Legally Blonde'* from Worthing Musical Comedy Society (WMCS) in the Connaught Theatre.

Hires have seen an increase in the amount of live music coming to the venues through establishing good links with national and local promoters attracting such notable artists as KT Tunstall and The Levellers to the town.

There has been a marked increase in filming requests including for primetime TV shows and pilots, such as a new BBC singing show with Gareth Malone, ITV's *'Grace'* as well as providing cast and crew holding space for a major film release, *'For Life'*.

Looking at community events, 10 schools across the district have put on events, allowing for over 1,100 children and young adults the chance to appear on a professional stage and bringing in audience figures of approximately 2.9k to our venues. Other community-focus events this year have been the Jive dance events, Wurlitzer Tea dances, and *Worthing Sings Live!* hosted by West Sussex Music - a chance for local residents to be on stage. We welcomed new hirers through the doors including a Salsa drumming workshop, charity fundraisers for the Littlehampton Muslim Trust and Andy's Angels Grief Cafe, along with an exceptional launch for *Billy & Beyond* - raising awareness of drug-use in local schools.

## **Technical & Production**

The Technical and Production Department has continued to find innovative ways of adapting the venues to the needs of our programming including the development and creation of an anti-rake for the Connaught stage. This allows performances needing a flat stage to use the Connaught stage (rather than performing on the traditional raked stage), this included Jasmin Vardimon's *ALiCE*, a re-imagining of Lewis Carroll's ground-breaking classic, *Alice in Wonderland*.

We are now facing the challenge of the ageing technical equipment with minimal budgets for replacement. In December the PA system in the Assembly Hall finally died having been serviced and refurbished a number of times over recent years. We currently have a short term and very generous loan from a local theatre but must raise funds to replace this equipment. In April we had issues with the hydraulic system for the pit lift at the Pavilion which has been repaired and serviced, extending its operating life for hopefully several more years.

The technical provision across the venues has annual LOLER testing and inspections to confirm that we are operating safely. We are now taking a deeper dive into our risk assessments and regular practices to make sure our operations are gold standard. This work includes detailed consideration of the installation of load bearing points in the Pavilion roof space and the front-of-house lighting rigging points in the Connaught Theatre.

## **Buildings and Access**

Rising energy bills and other costs are hitting us hard, with 78% of heritage organisations saying they are facing budget pressures – and making cuts to their services as a result. The National Lottery Heritage Fund's latest Heritage Pulse survey, found that higher energy and utility costs are affecting

54% of those facing budget stress. This is followed by the cost of maintenance and repairs (43%), insurance (38%) and payroll increases (36%). This has resulted in cuts to existing programmes, opening hours and public access, education and community programmes. Worthing Theatres & Museum has continued to maintain its services across all its areas in this difficult period.

Following the recruitment of a new Head of Buildings & Sustainability, 2023-24 has seen a significant level of focus and drive on the improvement and implementation of works and processes in WTM's venues, these include;

- Compliance with building related legislative services was assessed and subsequent improvements were made, such as reduction of risk to fire safety and water safety.
- The organisational Risk Register was reviewed and its management has become better integrated within day to day operational business with two levels, headline level for the Executive and Board, and an operational register for managers to adjust as circumstances, or risk, changes.
- External funding was achieved to install state of the art Hearing Loops in each of WTM's venues in the auditoriums and at points of sale. Sennheiser MobileConnect units replaced an ageing infra-red system, offering modern assistive listening via a discreet and intuitive smartphone application which is available to all, giving assistive and personal listening over a WiFi network, helping WTM's customers enjoy clear and precise audio quality anywhere in the auditoria. This system not only provides hearing assistance, but also offers audio commentary for the partially sighted, or blind, for the majority of films.
- New seating was installed in the Pavilion which included ten wider seats which make the venue more inclusive. We installed a rear central seating rake in the rear of the Pavilion Auditorium to dramatically improve sightlines.
- A thorough washroom audit was undertaken. Actions continue to carry out repairs and decorative improvements, ensuring functionality of sanitary equipment. The full replacement of the male washroom in the Assembly Hall was specified and tendered for. The successful contractor is due to start the works in the summer of 2024.
- Externally acquired accessibility audits were transferred to costed spreadsheets and an initial action plan created in readiness for the 2024 capital programme. Minor works were undertaken such as the installation of full length mirrors in accessible toilets.
- Initial meetings also took place with the Developer of Union Gardens to develop sound working relationships and safeguard our interests. This includes advance work to gauge soundproofing requirements at the Connaught to mitigate noise disturbance that might be caused by the developer during construction.

## **Capital Redevelopment**

WTM will make improvements to the museum over the next five years. After two disappointing responses to funding applications for the entire development project (£5.5 million), we have now reshaped '*Let the Light In*' into a five year phased project with a series of annual improvement modules.

We commissioned a Feasibility Study from ECE Architects for the Connaught Theatre which would add a third 50 seat cinema screen, freeing up the Main House for both community performances and the professional programme. The study dramatically improves the bar circulation space and the washroom provision as well as providing additional offices and a fantastic series of video screens to display both show information and commissioned digital installations. We shared these initial plans with the Worthing Borough Council and the conversation continues.

## **Fundraising & Development**

From September 2023 the Charity appointed Achates (a consultancy for cultural organisations) as a temporary Head of Fundraising.

2023/24 was a year of change for the Development team at WTM. Overall £139k was raised to support WTM work (including unrestricted donations, gift aid, restricted grants and donations and sponsorship income), a total which whilst below initial targets for the year saw some notable achievements for the Charity. There was a particularly strong performance from online donations predominantly from customers giving a donation when purchasing tickets which suggests a strong interest in supporting our work from our ticket buying audiences. £63k was raised to support creative projects with the majority supporting work in the museum and archaeology projects. Other notable achievements include a revamp of the membership scheme which was launched in October 2023. This new, streamlined approach offers one membership price and we saw a strong transfer of supporters from the original scheme (which had two prices) to the new scheme and renewal rates have continued to remain strong since the October launch.

New relationships have also developed this year with some individuals able to give higher level donations, with two donations of £1k received to support archaeology work. Overall, the key focus of the year has been upskilling our fundraising team with the support of consultancy Achates. In the latter half of 2023/24 steps were taken to prepare the organisation to undertake a step change in our fundraising including workshops with the Executive and Senior Management team focusing on our organisational purpose, audiences and theory of change, a new three year fundraising strategy, closer working relationships between Development and teams across the organisation, particularly the Marketing and Customer Experience teams. All of this work forms a critical bedrock for the fundraising strategy which has been rolled out from 1 April 2024 and which will seek to increase fundraising at WTM by 294% over the next three years (across Core, Creative Projects, Capital Investment and Major Capital fundraising).

It should be noted that there were no complaints in 2023/24 in respect of our fundraising activities and practices.

## Financial Stability

### Overview

2023/24 was largely a consolidation year for Worthing Theatres & Museum in which we finished fractionally better than our budget/forecast (£739 surplus after reserves movements compared to a break even budget).

A significant increase in income for theatre related charitable activities (£218k or 8.97% more than 2022/23) largely offset the expected reduced Council Service Fee (£43k or 2.9% less than 2023), increased direct costs and increased staff costs (this is our first full year since the pandemic with a full staff complement with all vacancies filled for most of the year).

Restricted grants and donations increased by 132% compared to 2022/23 as our new fundraising strategy begins to create tangible results.

We invested previously ear-marked designated reserves in new Pavilion seating (£175k) which we complemented with a new rear central seating rake area costing a further £13k. This increased our fixed asset net book value from £251k (2022/23) to £402k (2023/24), after allowing for depreciation.

Other designated reserves remained largely unchanged.

### Income and Expenditure

Our total unrestricted income for the year was £4,995k and our total unrestricted expenditure for the year was £5,034k leading to a deficit of £39k. After transferring a budgeted £39k from specific designated funds, we ended up with an operating surplus of £739 compared to our break even budget for the year. We received £178k of ticket levy income in 2023/24 but offset this against appropriate expenditure within the year meaning our Restoration Levy Reserve remained unchanged from the end of 2022/23.

The Council Service Fee made up a lesser proportion of our operating income (28.5% compared to 31.4% in 2022/23).

### Restricted Funds

Restricted funds received and spent are not included in the above figures.

In 2023/24 we received £136k of restricted grants and donations which is a significant increase on 2022/23 (£59k). It's worth noting that £49k of this amount was for Google Ads (£38k in 2022/23) so the restricted grants and donations, not including the amount from Google, increased from £21K in 2022/23 to £87k in 2023/24.

A detailed statement of the restricted grants and donations can be seen in note 20.

## Cashflow

We continue to benefit from a healthy cashflow with £2.7million in the bank as at 31st March 2024. It is worth noting that significant amounts of this balance are made up of the advanced payment of our Council Service Fee (£707k for 6 months) and a healthy advanced ticket and customer account/unredeemed gift voucher balance of £632k (up from £507k on 31st March 2023).

## Local Authority Funding

We are grateful to Worthing Borough Council (WBC) for their continued financial support in 2023/24:

- **Council Service Fee** - our contracted service fee from the Council to deliver the services required under the Management Agreement between WBC and WTM.
- **Business Rates Charitable Relief** - As a charity, we automatically benefit from an 80% reduction of our Business Rates:
- **Discretionary Business Rates Relief** - we also qualified for further discretionary relief for some of our buildings equating to the following, in addition to the standard **80%** charitable relief:
  - Assembly Hall, Pavilion Theatre, Connaught Theatre & Studio - **15%** (**95%** relief in total)
  - Museum and South Chapel Store - **20%** (**100%** relief in total)

## Reserves

We group our designated reserves into two categories:

- **Committed Expenditure Reserve** includes designated reserves that have been committed or earmarked for specific spend. We also include the Restoration Levy Fund here as it is earmarked for the upkeep and improvement of our business-critical equipment, furniture, and creative projects. The major change since 2022/23 is the reduction of our Theatre Auditorium Seats Reserve by £175k for the purchase of our new Pavilion seats, and the subsequent increase in our reserve for Future Depreciation of Fixed Assets by £150k (after taking out depreciation for the year).
- **Key Risks & Uncommitted Expenditure Reserve** includes designated funds for more general risks and unforeseen circumstances. The only significant change to these reserves in 2023/24 is the reduction of the Buildings Access Reserve by £14k (to cover the Pavilion rear central seating rake (£13k) and a £1k contribution towards our Sennheiser MobileConnect hearing loop system).

Our Unrestricted Free Reserves have been increased fractionally by our operational surplus of £739 to £126k at 31st March 2024 (£125k as at 31st March 2023).

The Reserve for the Future Depreciation of Fixed Assets of £402k will be used over seven to ten years, in line with the expected life span of the various fixed assets being depreciated.

The Restoration Levy Fund (£345k) is earmarked for business-critical equipment and furniture and creative projects in the future.

We have two small reserves for Museum Display Cases (£11k) and Lighting (£4k) which will be part of the major redevelopment of the Museum (*Let the Light in Project*).

The other designated reserves totalling £345k are not earmarked for immediate use, but we feel it is prudent to build these up to cover the eventual inevitable replacement of furniture & equipment and unforeseen circumstances. They include the Ticket Income Reserve (£115k) which is to offset significant failure of ticket income, the financial impact of cancellation of performances and productions or increased costs. Combining these with our accumulated free reserves of £126k leads to a total of £471k, which is a significant amount towards our uncommitted reserves target of £750k but still leaves a remaining target of £279k for us to aim to build up at every opportunity in the coming years. We will also be reviewing the £750k target to take into account inflation and other increases in running costs.

### **Gain Share Agreement**

We have a gain share agreement with Worthing Borough Council (WBC) whereby our annual Service Fee is reduced in the next service fee instalment payment by their share of any trading surplus (as defined in the Management Agreement between WBC and WTM). The basis of calculation of the attributed value of the gain share is set out in the Agreement. All gains are retained by WTM until a "Risk Reserve" of £750k has been built up. Risk Reserves are made up of unrestricted free reserves together with reserves for Designated Key Risks & Uncommitted Expenditure.

# WTM Accumulative Reserves Analysis

31st March 2024      31st March 2023

Unrestricted Free Reserves	A	£	125,804	£	125,065
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## Designated Reserves for Key Risks & Uncommitted Expenditure

Ticket Income Reserve	£	115,000	£	115,000
New Equipment	£	74,800	£	74,800
Maintenance	£	50,000	£	50,000
Insurance Claim Shortfall	£	12,000	£	12,000
HR Reserve	£	12,000	£	12,000
Pension Strain	£	20,000	£	20,000
Buildings Access Improvements Reserve	£	13,788	£	28,413
Essential Website Development Reserve	£	48,000	£	48,000

<b>Sub-Total Designated Reserves for Key Risks &amp; Uncommitted Expenditure</b>	<b>B</b>	<b>£</b>	<b>345,588</b>	<b>£</b>	<b>360,213</b>
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<b>Sub-Total Risk Reserve (for Gain Share)</b>	<b>A+B</b>	<b>£</b>	<b>471,392</b>	<b>£</b>	<b>485,278</b>
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## Committed Expenditure + Restoration Levy Fund

Restoration Levy Fund	£	344,641	£	344,641
Reserve for Future Depreciation of Fixed Assets	£	401,647	£	251,156
Theatre Auditorium Seats	£	2,714	£	177,714
Museum Cases	£	10,947	£	10,947
Museum Lighting	£	4,000	£	4,000

<b>Sub-Total Committed Expenditure + Restoration Levy Reserves</b>	<b>C</b>	<b>£</b>	<b>763,949</b>	<b>£</b>	<b>788,458</b>
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<b>TOTAL Designated Funds</b>	<b>D (B+C)</b>	<b>£</b>	<b>1,109,537</b>	<b>£</b>	<b>1,148,671</b>
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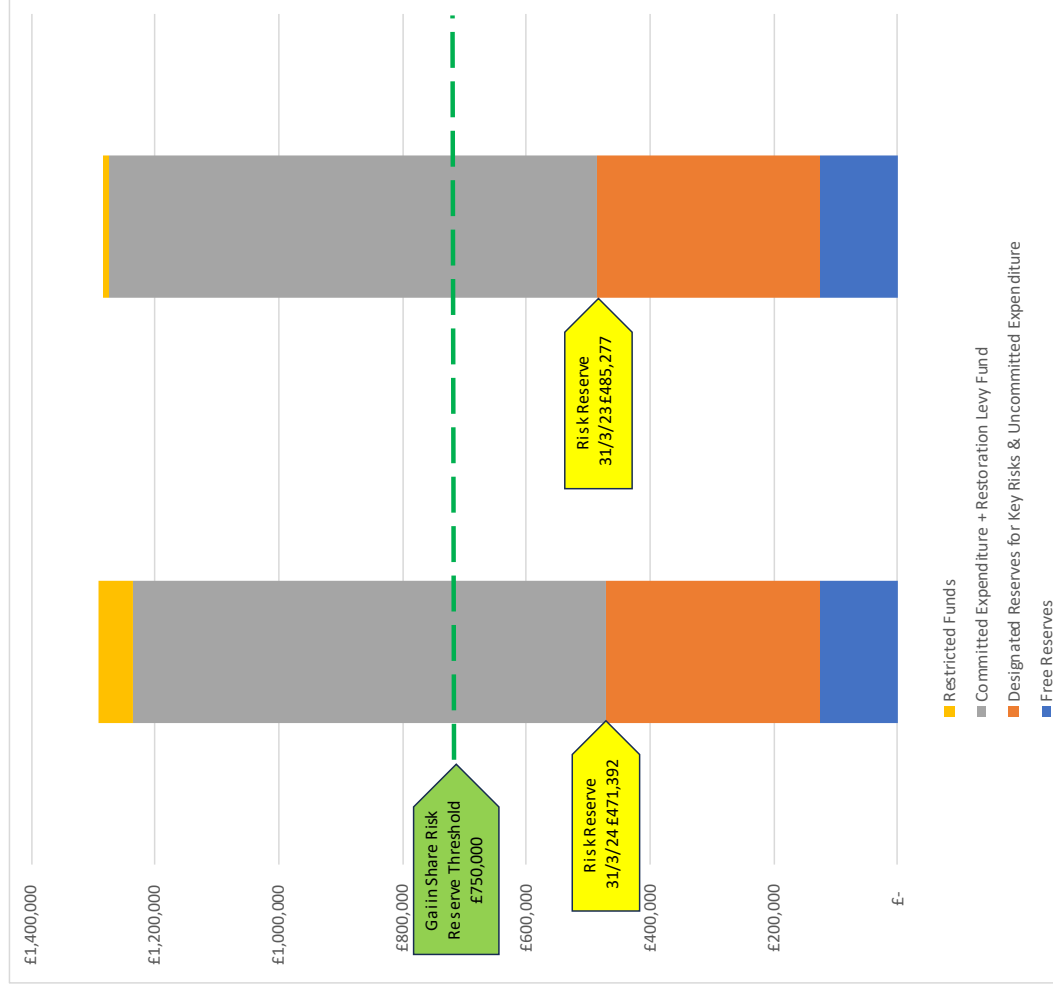
<b>General Funds</b>	<b>E (A+D)</b>	<b>£</b>	<b>1,235,341</b>	<b>£</b>	<b>1,273,736</b>
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<b>Restricted Funds (See note 20 for break)</b>	<b>F</b>	<b>£</b>	<b>56,935</b>	<b>£</b>	<b>9,670</b>
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<b>TOTAL Funds</b>	<b>G (E + F)</b>	<b>£</b>	<b>1,292,276</b>	<b>£</b>	<b>1,283,406</b>
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31st March 2024

31st March 2023



## **Going Concern**

The Trustees have considered the continued impact of the economic crisis and the pressures of inflation both in terms of audience confidence, disposable income, and the impact on operating costs for WTM on their assessment of going concern. After making appropriate enquiries, the Trustees have a reasonable expectation that WTM has adequate resources to continue in operational existence for the foreseeable future (which is considered to be a period of at least twelve months from the date of approving these financial statements). For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

A continued healthy long term cashflow forecast and the ongoing support of Worthing Borough Council are both major factors in securing our long-term financial stability. WTM is committed to securing further financial stability by maximising existing and new income streams such as fundraising from individual giving, corporate partnerships and trusts and foundations, by further streamlining operations, seeking best value to minimise expenditure, and reinforcing reserves at every opportunity.

In light of the recent significant increases in running costs (due to inflation, energy costs and cost of living increases) we will continue to review the level of reserves we aim to have to ensure financial stability.

## **Risk Register**

The presentation of the WTM Risk Register was improved during 2023/24. The register was overhauled to include level 1 (Board) and level 2 (Operational) risks, making the register easier to view and manage. The improved register is in line with Worthing Borough Council's presentation of their risk register.

The top three areas of risk on the level register are;

### **Reduction or non-payment of Council Service Fee**

Latest risk update - At the WBC JSC meeting on 14th March 2024 the Members agreed the service payment for 2025/26 and 2026/27 (this was the amount agreed by WBC Officers and WTM Trustees and Exec at negotiation meetings). The remaining three years of the service fee is to be negotiated and agreed before 31st March 2026.

### **Information Technology**

Latest risk update - The WTM IT infrastructure is largely provided through an SLA with WBC. This SLA is currently in the process of being discussed both in terms of finance and service provided and future provision. The team is currently updating the processes designed to identify risks in the data protection impact assessment.

## **Reduction of Capital Funding**

Latest risk update - Although WBC face challenges within their capital programme several projects are still expected to take place in 2024/25 at WTM venues. These include; replacement windows at the Connaught Theatre, roof replacement at Connaught Studio, Pavilion external redecoration, and various energy and insulation improvements at all venues in readiness for the Worthing Heat Network from 2025.

## **Structure, Governance and Management**

### **Constitution**

Worthing Theatres & Museum became a Charitable Incorporated Organisation (CIO) (CE018745) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.

### **Board of Trustees and Executive Management Team**

The Executive Management team are guided and supported by an experienced Board of Trustees who are experts in theatre, museums, commercial activities, business planning, finance, hospitality, regeneration, legal, HR, PR/marketing and equality and diversity. In 2023/24 two Trustees resigned and three new Trustees were appointed.

In June 2024, Peter Cadwallader resigned as Chair and Trustee on the Charity Board and Director of the Trading Subsidiary Board. Scott Marshall was appointed Interim Chair of the Charity Board by the Trustees.

### **Board Development**

The Trustees continued work on diversifying our governance in terms of age, culture, and disability, actively seeking Trustees from more diverse cultural and socio-economic backgrounds. Towards the end of the 2023/24 the Trustees prioritised working on the skills of the Board in order to increase Board engagement and effectiveness, carrying out a recruitment drive to strengthen the Board for this young charity.

We aim to recruit new Trustees and a new Chair to our Board and looking for individuals with a variety of skills, experience and knowledge, in particular experience in: Theatres and Arts Finances, Fundraising, Subsidised and Commercial Theatre Producing, Equity, Diversity and Inclusion, Strategic Business Planning, and Digital.

We are looking for people who believe in our values and are committed to driving WTM forward in achieving our vision to join an engaged and experienced Board of Trustees.

### **Organisational Structure and Decision Making**

The Executive Team reports to the Board of Trustees at least five times a year including full financial reporting, overview of programming and projects and the risk register. The Board met seven times in

2023/24 and the annual Away Day took place in March. Senior Managers provide presentations as and when required. The Executive Team works with the Board of Trustees to establish key performance indicators for all aspects of the charity's activities which are monitored and reviewed regularly throughout the year. Progress and actions taken are communicated at each Board meeting through written and verbal reports and through formal reporting to Worthing Borough Council. The annual away-day is attended by Trustees, Executive Team, and Senior Management Team. Each year we publish an Annual Report that contains key information about the charity's performance.

In 2023/24 Board approved WTM's Business Plan for April 2024 - March 2030 which has six Strategic Aims:

- Financial Stability
- Serving our Community
- Vibrant Cultural & Heritage Programme
- Make our Theatres and Museum Green
- Developing our Audiences
- Capital Redevelopment of Our Incredible Buildings

The Board will monitor progress against these aims at Board meetings.

The Trustees have delegated some of their powers and functions to committees and have determined the terms and conditions on which the delegation is made.

### **Composition of our Charity and Trading Subsidiary Boards**

**Strengths:** WTM is proud to have a Charity Board where over half identify as female. Our Charity and Trading Subsidiary Boards benefit from the representation of a wide variety of socio-economic backgrounds and diversity in ethnicity, disability and neurodiversity.

**Challenges:** On our Charity Board there is representation amongst all age groups except for the younger demographic. WTM plans to address this challenge in the future by recruiting two Youth Trustees to better represent the interests of younger people as part of a youth fundraising bid.

### **Methods of Appointment of Trustees and Terms of Office**

The control and management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the CIO constitution. The CIO must have at least three charity Trustees and the maximum number was twelve, but the Trustees passed a resolution in May 2023 to increase the maximum number to 16 in order to increase Board engagement and to cover short term absence.

The process of recommending the appointment of Trustees to the Board is carried out by the Nominations Committee and the Board reviews and assesses the skills, knowledge and experience of the recommended candidates needed for the effective administration of the charity. The Board will do all in its reasonable power to appoint and retain (for designated terms) Trustees of the highest calibre.

Trustees are expected to attend a high percentage of Board and Committee meetings.

Every appointed Trustee is appointed for a term of three years, and they may offer themselves for re-election for a second and third three-year term. A Trustee who has served for three consecutive terms may not be reappointed for a fourth consecutive term but may be reappointed after an interval of at least one year.

### **Policies Adopted for the Induction and Training of Trustees**

New Trustees undergo an induction to brief them on their legal obligations. They receive a copy of the Constitution and the CIO's latest Trustees' Annual Report and Statement of Accounts as well as background and Charity Commission guidance on public benefit, committee and decision-making processes, the business plan and information on recent financial performance.

### **Committees**

Committees have Terms of Reference and report regularly to the Board. The Trustees create temporary Action Groups when required.

### **Finance and Audit Committee**

The Finance and Audit Committee is responsible for financial management, audit, internal control, and risk management. The Committee met six times in 2023/24.

### **Nominations Committee**

The Nominations Committee considers and makes representations to the Board on its composition and balance and identifies, reviews, and makes recommendations for potential appointments. The Nominations Committee also has responsibility for recommending to the Board Director appointments for the Trading Subsidiary.

### **Remuneration Committee**

The Remuneration Committee determines and agrees with the Board the framework or broad policy for the remuneration of the Executive and the Senior Management Team working within the TUPE and WTM Pay and Reward Policy, which includes pay and grading posts using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The Committee also benchmarks salaries against similar organisations. The Committee, acting responsibly, has the authority to appoint remuneration consultants and to purchase or commission any reports which it deems necessary within any budgetary restraints imposed by the Board.

### **Fundraising and Capital**

From April to September 2023 separate Capital Projects Committee and Fundraising Committees were convened. In September 2023 the Fundraising and Capital Project committees were combined as most

capital projects rely upon fundraising.

### **Capital Projects Committee**

WTM aspires to complete a series of capital projects to enhance its cultural offering and to meet the Objects of the Constitution. The Capital Projects Committee has the responsibility of overseeing the development of the capital projects, subject to limitations which remain decisions for the Board, and where relevant in partnership with Worthing Borough Council. On the two larger scale Museum and Connaught redevelopment capital projects relating to the Council properties the Committee will form a partnership with WBC capital projects teams.

### **Fundraising Campaign Committee**

The Fundraising Campaign Committee is responsible for the ongoing fundraising strategy for revenue, special projects, events, and capital projects.

In May 2024 the focus of the original Fundraising Committee was expanded by the Trustees to drive the delivery of our Business Plan 2024 - 2030 and the Fundraising Committee was changed to Fundraising & Capital Development Committee. Once any major capital projects have successfully secured funding a separate Capital Project Committee will be convened to oversee the development and delivery of each 'Capital Project' and to advise the Board on these matters.

### **2023/24 Working Groups**

In 2023/24 we had to negotiate the Council Service Fee for the next five year period, April 2025 – 2030, which required a new seven year Business Plan. Two working groups were formed for this purpose:

- The **Business Plan Working Group** consisted of five Trustees, with support from the Executive and Staff.
- The **Five Year Service Fee Negotiation Working Group** consisted of two Trustees with support from the Exec and Head of Finance.

### **Change Advisory Board (CAB)**

A Change Advisory Board (CAB) was established in 2023/24 allowing members of the Senior Management Team to carry out due diligence and research before presenting any proposals to the Executive Team. The aim of the board is to streamline the decision making process whilst allowing the Executive to focus on key factors

### **Risk Management**

The process of formal risk management was overhauled in 2023/24, with oversight and supervision of the Risk Register being taken on by the Head of Buildings & Sustainability, and the underlying risks being updated and maintained by the most appropriate member of the Senior Management Team. Alongside the changes to the presentation of the Risk Register, wherein a split was created between level 1 (Board) and level 2 (Operational) risks, regular meetings were introduced to review and update

both levels of register, with the Board level being presented at each Finance & Audit Committee Meeting, as well as quarterly to the entire Board.

## **Trading Subsidiary Company - non charitable trading**

As is the case with most charities, commercial activities that do not directly further the charitable objectives are carried out by our Trading Subsidiary Company (Worthing Theatres & Museum (Trading) Limited, company number: 12296105) which is wholly owned by the Charity. The income and expenditure for our Trading Subsidiary is included on the group consolidated figures shown in these financial statements. A gift, equivalent to any profit, is made at the end of each financial year from our Trading Subsidiary to the Charity, meaning the Trading Subsidiary does not show any profit or loss. The main activities are Bars & Concessions, Venue Hire and Retail - for a review of this year's performance please see "Operations" section on page 23.

The support via our trading arm also helps us to fulfil our charitable objectives

The Trading Subsidiary (Worthing Theatres & Museum (Trading) Limited) has its own Board of Directors comprising Charity Board Trustees and separate independent Directors. Peter Cadwallader resigned from both the Charity Board (as Chair and Trustee) and as a Trading Subsidiary Director in June 2023. This resulted in two remaining Trading Subsidiary Directors as well as the Charity itself (this allows a member of the Charity Board to co-opted to the Trading Subsidiary Board when required). Once the Trustees have finalised Trustee and Chair recruitment in the summer of 2024 they will focus on recruiting an additional Director.

## **Our Teams**

In 2023/24 we continued to prioritise recruitment and focus on resourcing teams to deliver on WTM's 5-year business plan. We have seen challenges in resourcing certain roles, but have largely had success with recruitment; strengthening our Senior Management Team by adding a Head of Buildings & Sustainability which has enabled us to make a strong start on realising our environmental aims. The Senior Management team completed the Breakthrough programme with AMA; this has been a pivotal programme that has given us a starting point on our inclusive journey and helped change the way we talk about equity, diversity, inclusion and belonging and has given us the tools to realise our aims. We continued our policy improvements rolling out a comprehensive Code of Conduct that aligns with our Vision, Mission and Values. To complement this we also developed a Safer Spaces framework to promote safe working in the venues and zero tolerance towards bullying and harassment. We also updated our Safeguarding policy and procedures.

We continued to prioritise staff communication and engagement and have established a Staff Forum to give staff a formal route through which to voice ideas and concerns, we have also recently established a regular newsletter.

WTM relaunched the 100% Project in 2023 and have enjoyed working with our first seven participants. The programme is focussed on giving a first taster into different theatre roles giving candidates valuable experience to help them access work and make career decisions. Participants ranged from those fresh from college, to those wanting to change careers or re-join the workforce. Looking forward we aim to

evaluate the project so that we can continue with a sustainable offering that meets the needs of the community and has a recognisable brand.

As well as our usual volunteering opportunities WTM has been able to offer a number of short term volunteering and work experience placements working with partners in the community including the Sand Project to deliver bespoke experiences for young people and adults in the community.

## **Our Team's Equity, Diversity and Inclusion**

WTM values diversity and promotes unity providing an environment where differences and what we have in common are celebrated. We are committed to continuing to develop our inclusivity to ensure all voices are heard and represented in our workforce. We believe that diversity makes us stronger and we actively work to attract applicants from underrepresented groups. We hold ourselves accountable by being a Disability Confident Committed employer, and working to further develop our support for this aspect of the workforce. We will be developing our Mental Health support and awareness for staff in 2024 including: training, more mental health first aiders, a specific policy and the Mind Mental Health at Work Commitment.

## **Our Staff**

WTM currently has (as at April 2024), 125 staff, around 48% of which are casual.

Similar to the Board the staff team identifies as about 50% female, a fairly equal spread in age with a much stronger representation in the 18-30 bracket. We can also see a significant increase in representation amongst neurodiverse and staff with disabilities which combined make up 17% of the workforce compared to 8% last year.

## **Our Volunteers**

### **Developing diversity through Volunteering -**

WTM utilises Volunteers in a variety of roles, some of which are regular and others on an ad hoc basis. The roles include: Customer Experience Volunteers both at the Theatres & Cinema and at the Museum, Distribution & Engagement Volunteers, Curatorial & Conservation Volunteers and our 100% Project participants. We have a valued and loyal volunteer base that is primarily weighted towards those aged over 66 with a large percentage of these being women. The 100% Project has opened a pathway for a more diverse range of volunteers to join WTM.

## Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales 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 Group and Charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP (FRS 102).
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Disclosure of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Auditors

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 25th July 2024 and signed on their behalf by:



.....  
**Scott Marshall**  
Chair

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORTHING THEATRES & MUSEUM

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## Opinion

We have audited the financial statements of Worthing Theatres & Museum for the year ended 31<sup>st</sup> March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the charity balance sheet, the Consolidated Statement of Cash Flows 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 group's and of the parent charity's affairs as at 31<sup>st</sup> March 2024 and of the group's net movement in funds for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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 Trustees' Annual Report, the Chair's statement, and the Executive Team Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORTHING THEATRES & MUSEUM**

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identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to Report by Exception**

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

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the Financial Statements**

As explained more fully in the Trustees' responsibilities statement set out on page 38 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to year end cut off and journal postings. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
WORTHING THEATRES & MUSEUM**

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- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

A further description of our responsibilities 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 auditor's report.

**Use of Our Report**

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Haysmacintyre LLP**  
**Statutory Auditors**

**10 Queen Street Place**  
**London**  
**EC4R 1AG**

31 July 2024

**Date:** .....

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

**WORTHING THEATRES & MUSEUM**  
**SUMMARY INCOME & EXPENDITURE REPORT**  
**NOT FORMING PART OF THE STATUTORY ACCOUNTS**  
**for the year ended 31st March 2024**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Income from:</b>		
Donations and legacies	172,562	87,749
Charitable activities	4,092,961	3,917,889
Other trading activities	806,116	696,733
Investments	59,415	26,172
<b>Total income</b>	<b>5,131,054</b>	<b>4,728,543</b>
<b>Less: expenditure on</b>		
Raising funds	888,425	847,520
Charitable activities	4,233,759	4,095,024
<b>Total expenditure</b>	<b>5,122,184</b>	<b>4,942,544</b>
Less:		
Other non-operating items	-	-
Movement on restricted funds	47,591	(1,836)
Transfer to/(from) designated funds	(39,460)	(100,451)
<b>Operating surplus / (loss)</b>	<b>739</b>	<b>(111,715)</b>
<b>Adjustment for Local Government Pension Scheme (LGPS) valuation</b>		
Actuarial gains/(losses)	-	1211,000
In year costs	-	(183,000)
<b>Total adjustment for Local Government Pension Scheme (LGPS) valuation – See note 21</b>	<b>-</b>	<b>1,028,000</b>
Add back:		
Other non-operating items	-	-
Movement on restricted funds	47,591	(1,836)
Transfer to/ (from) designated funds	(39,460)	(100,451)
<b>Net movement in funds</b>	<b>8,870</b>	<b>813,999</b>

**WORTHING THEATRES & MUSEUM**  
**GROUP STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 31<sup>st</sup> March 2024

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023* £
<b>Income from</b>					
Donations and grants	3	36,948	135,614	172,562	87,749
Charitable activities	4	4,092,961	-	4,092,961	3,917,889
Trading activities	5	806,116	-	806,116	696,733
Investments	6	59,415	-	59,415	26,172
<b>Total income</b>		<u>4,995,440</u>	<u>135,614</u>	<u>5,131,054</u>	<u>4,728,543</u>
<b>Expenditure on</b>					
Raising funds	7	888,425	-	888,425	847,520
Charitable activities	8	4,145,736	88,023	4,233,759	4,095,024
<b>Total expenditure</b>		<u>5,034,161</u>	<u>88,023</u>	<u>5,122,184</u>	<u>4,942,544</u>
<b>Net income</b>		<u>(38,721)</u>	<u>47,591</u>	<u>8,870</u>	<u>(214,001)</u>
Transfers between funds		326	(326)	-	-
Actuarial (losses)/gains on defined benefit pension schemes	21	-	-	-	1,028,000
<b>Net movement in funds</b>		<u>(38,395)</u>	<u>47,265</u>	<u>8,870</u>	<u>813,999</u>
<b>TOTAL FUNDS AT 1 APRIL 2023</b>	20	<u>1,273,736</u>	<u>9,670</u>	<u>1,283,406</u>	<u>469,407</u>
<b>TOTAL FUNDS AT 31 MARCH 2024</b>	20	<u><u>1,235,341</u></u>	<u><u>56,935</u></u>	<u><u>1,292,276</u></u>	<u><u>1,283,406</u></u>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

\*A breakdown of these comparative figures is shown on page 65.

The notes on pages 47 to 65 form part of these financial statements.

**WORTHING THEATRES & MUSEUM**  
**Charity Registered Number 1185189**  
**GROUP BALANCE SHEET**  
**at 31st March 2024**

	Note	2024 £	2023 £
<b>FIXED ASSETS</b>			
Tangible assets	14	401,647	251,155
<b>CURRENT ASSETS</b>			
Stock	15	42,778	37,512
Debtors	16	330,714	232,578
Cash at bank and in hand		2,714,759	2,638,868
		3,088,251	2,908,958
CREDITORS: Amounts falling due within one year	17	(2,197,622)	(1,876,707)
		890,629	1,032,251
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year	18	-	-
		1,292,276	1,283,406
<b>NET ASSETS excluding pension liability</b>	19		
		1,292,276	1,283,406
<b>ACCUMULATED FUNDS</b>			
<b>Restricted funds</b>	19	56,935	9,670
<b>Unrestricted funds</b>			
General funds	19	125,804	125,065
Designated funds	19	1,109,537	1,148,671
		1,292,276	1,283,406
<b>TOTAL FUNDS</b>		1,292,276	1,283,406

The financial statements were approved by the board of Trustees on 25<sup>th</sup> July 2024 and signed on its behalf by

*scott marshall*

Scott Marshall  
Chair

**WORTHING THEATRES & MUSEUM**  
**Charity Registered Number 1185189**  
**CHARITY BALANCE SHEET**  
**at 31<sup>st</sup> March 2024**

	Note	2024 £	2023 £
<b>FIXED ASSETS</b>			
Tangible assets	14	401,647	251,155
<b>CURRENT ASSETS</b>			
Stock	15	-	-
Debtors	16	534,512	217,258
Cash at bank and in hand		2,336,316	2,581,458
		2,870,828	2,798,716
CREDITORS: Amounts falling due within one year	17	(1,980,199)	(1,766,465)
		890,629	1,032,251
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year	18	-	-
		1,292,276	1,283,406
<b>NET ASSETS excluding pension liability</b>			
<b>ACCUMULATED FUNDS</b>			
Restricted funds	19	56,935	9,670
<b>Unrestricted funds</b>			
General funds	19	125,804	125,065
Designated funds	19	1,109,537	1,148,671
Pension reserve		-	-
		1,292,276	1,283,406
<b>TOTAL FUNDS</b>			

The financial statements were approved by the board of Trustees on 25<sup>th</sup> July 2024 and signed on its behalf by:

*scott marshall*

.....  
**Scott Marshall**  
**Chair**

The notes on pages 47 to 65 form part of these financial statements

**WORTHING THEATRES & MUSEUM**  
**GROUP STATEMENT OF CASH FLOWS**  
for the year ended 31<sup>st</sup> March 2024

	Note	2024 £	2023 £
<b>Net cash provided by/ (used in) operating activities</b>	A	324,008	(525,512)
<b>Cash flows from investing activities:</b>			
Interest from investments		(59,415)	(26,172)
Purchase of tangible fixed assets		(188,702)	(23,149)
Disposal of tangible assets		-	11,960
<b>Net cash provided by/ (used in) investing activities</b>		(248,117)	(37,361)
<b>New borrowings</b>		-	-
Change in cash and cash equivalents in the reporting period		75,891	(562,873)
Cash and cash equivalents at the beginning of the year		2,638,868	3,201,741
<b>Cash and cash equivalents</b>		2,714,759	2,638,868

**A: Reconciliation of net movement in funds to net cash flow from operating activities**

		2024 £	2023 £
Net income / (expenditure)		8,870	813,999
Depreciation charges		38,210	27,123
Interest from investments		59,415	26,172
Increase in Stock		(5,266)	(1,295)
(Increase) / Decrease in debtors		(98,136)	(58,280)
Decrease in creditors		320,915	(488,231)
(Decrease) / Increase in LGPS liability	21	-	(845,000)
<b>Net cash used in operating activities</b>		324,008	(525,512)

**B. Analysis of changes in net debt**

	At 31 March 2023 £	Cash flows £	At 31 March 2024 £
Cash	2,638,868	75,891	2,714,759

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2024**

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**1. GENERAL INFORMATION**

Worthing Theatres & Museum is a Charitable Incorporated Organisation. The registered principal office is Connaught Theatre, Union Place, Worthing, BN11 1LG. Consolidated accounts have been produced incorporating the wholly owned subsidiary, Worthing Theatres & Museum (Trading) Limited.

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements 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<sup>st</sup> January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1<sup>st</sup> April 2005 which has since been withdrawn.

Worthing Theatres & Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The financial statements have been prepared on a going concern basis.

The trustees have considered the level of funds held, the expected level of income and expenditure and the cashflow for 12 months following the authorising of these financial statements and believe the charity is able to continue as a going concern.

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2024**

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shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2024**

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Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

### **2.5 Council Service Fee**

Worthing Theatres & Museum (WTM) receives an annual service fee from Worthing Borough Council (WBC) to for the management and development of the cultural portfolio. The initial five-year schedule of service fees was agreed for the period ending 31<sup>st</sup> March 2025. Service fees for the following two-year period, (2025/26 and 2026/27) were approved by WBC on 14<sup>th</sup> March 2024. Due to the current economic climate, it was agreed to postpone the agreement of the service fee for the following three-year period (2027/28 to 2029/30) will be agreed by WBC & WTM 31<sup>st</sup> March 2026. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

### **2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

### **2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings and equipment: 7 - 10 years

### **2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### **2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## **2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

## **2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## **2.13 Pensions**

The Charity operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. The Charity also operates a defined benefit pension scheme, and the pension charges are also based on amounts payable to the fund in respect of the year, without any actuarial adjustments. See note 21 for further details.

## **2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

Investment income, gains and losses are allocated to the appropriate fund.

## 2.15 Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates and assumptions: The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

## 3. INCOME FROM DONATIONS AND GRANTS

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	£	£	£	£	£	£
Donations	36,948	3,452	40,400	29,192	-	29,192
Grant Income	-	132,162	132,162	-	58,557	58,557
Government Grants	-	-	-	-	-	-
	<u>36,948</u>	<u>135,614</u>	<u>172,562</u>	<u>29,192</u>	<u>58,557</u>	<u>87,749</u>

## 4. INCOME FROM CHARITABLE ACTIVITIES

	<b>2024</b>	<b>2023</b>
	£	£
Theatres	2,644,977	2,427,259
Museum	24,254	24,340
Service Fee	1,423,730	1,466,290
	<u>4,092,961</u>	<u>3,917,889</u>

*All income from charitable activities in 2024 and 2023 was unrestricted.*

## 5. TRADING INCOME

	<b>2024</b>	<b>2023</b>
	£	£
Venue Hire and Rental	202,362	186,338
Retail	26,655	29,097
Bars and Catering	568,778	474,716
Other	8,321	6,582
	<u>806,116</u>	<u>696,733</u>

*All trading income in 2024 and 2023 was unrestricted.*

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**6. INVESTMENT INCOME**

	<b>2024</b>	<b>2023</b>
	£	£
Interest receivable	59,415	26,172
	59,415	26,172

*All investment income in 2024 and 2023 was unrestricted.*

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Fundraising Costs</b>	<b>Other Expenditure on Raising funds</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
Direct costs	2,961	220,863	223,824	185,869
Staff costs	85,121	243,441	328,562	296,044
LGPS Pension Finance costs	-	-	-	20,004
Support costs	14,935	321,104	336,039	345,603
	103,017	785,408	888,425	847,520

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

	<b>Direct costs</b>	<b>Support costs</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
Theatres	2,800,139	821,427	3,621,566	3,466,638
Museum	276,154	336,039	612,193	628,386
	3,076,293	1,157,466	4,233,759	4,095,024
		<b>Direct costs</b>	<b>Support costs</b>	<b>2023</b>
		£	£	£
<i>Theatres</i>		2,621,830	844,808	3,466,638
<i>Museum</i>		282,783	345,603	628,386
		2,904,613	1,190,411	4,095,024

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**9. ANALYSIS OF DIRECT COSTS**

	<b>Theatres</b>	<b>Museum</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
LGPS Pension Finance costs	-	-	-	75,865
Staff costs	991,672	186,348	1,178,020	1,011,429
Equipment	38,609	423	39,032	36,584
Insurance	44,528	24,414	68,942	55,116
IT	6,304	4,594	10,898	4,981
Premises costs	258,125	42,695	300,820	278,666
Professional fees	-	-	-	-
Marketing	-	-	-	-
Other	65,501	9,533	75,034	68,856
Rates	4,295	1,925	6,220	-
Repairs and Maintenance	71,910	6,082	77,992	103,934
Artist fees	1,028,616	-	1,028,616	1,062,334
Production costs	34,138	140	34,278	13,801
Film Rental	256,441	-	256,441	193,047
	<u>2,800,139</u>	<u>276,154</u>	<u>3,076,293</u>	<u>2,904,613</u>

	<b>Theatres</b>	<b>Museum</b>	<b>2023</b>
	£	£	£
LGPS Pension Finance costs	54,967	20,898	75,865
Staff costs	842,914	168,515	1,011,429
Equipment	34,260	2,324	36,584
Insurance	32,780	22,336	55,116
IT	4,981	-	4,981
Premises costs	226,919	51,747	278,666
Professional fees	-	-	-
Marketing	-	-	-
Other	57,508	11,348	68,856
Rates	-	-	-
Repairs and Maintenance	99,540	4,394	103,934
Artist fees	1,062,334	-	1,062,334
Production costs	12,580	1,221	13,801
Film Rental	193,047	-	193,047
	<u>2,621,830</u>	<u>282,783</u>	<u>2,904,613</u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**10. ANALYSIS OF SUPPORT COSTS**

	<b>2024</b>	<b>2023</b>
Support costs consist of the following:	£	£
Bank charges	13,250	45,628
Equipment	1,744	15,651
Insurance	51,289	51,196
IT	131,788	113,270
Premises costs	4,549	8,393
Professional fees	90,373	71,587
Marketing	227,740	210,575
Other	143,175	127,755
Printing, Postage and Stationery	5,528	4,928
Rates	-	-
Repairs and Maintenance	5,277	4,521
Training	16,570	18,295
Travel	3,552	1,786
Other Staff costs	36,915	7,770
Governance costs	31,675	33,150
Depreciation	38,210	27,124
Wages	691,870	794,385
	<u>1,493,505</u>	<u>1,536,014</u>

**11. NET MOVEMENT IN FUNDS**

	<b>2024</b>	<b>2023</b>
This is stated after charging:	£	£
Auditors' remuneration: audit	22,000	25,000
Auditors' remuneration: non-audit fees	9,675	8,150
Depreciation of owned fixed assets	38,210	27,124

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**12. STAFF COSTS**

	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	1,907,567	1,754,834
Social security costs	152,258	140,538
Other pension costs	138,627	206,486
	2,198,452	2,101,858
	2,198,452	2,101,858

	<b>2024</b>	<b>2023</b>
The average monthly number of employees (headcount) during the period was as follows:	Number	Number
Senior Managers	8	8
Other Staff	57	54
Casual Staff	58	61
	123	123
	123	123

No remuneration was paid during the period to any member of the Board of Trustees (2022: £Nil).

There were no reimbursed Trustee expenses during the year (2023: £32.40).

One employee received remuneration in the band £60,000 - £69,999 during the year (2023: 1)  
One employee received remuneration in the band £80,000 - £89,999 during the year (2023: 1)

No expenditure on redundancy and termination payments were paid (2023: Nil)

	2024	2023
	£	£
Total remuneration of key management personnel	513,700	494,988
	513,700	494,988

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**13. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY**

Subsidiary name	Worthing Theatres & Museum (Trading) Limited		
Company registration number	12296105		
Basis of control	Ordinary shares		
Equity shareholding %	100%		
		<b>2023</b>	<b>2022</b>
		£	£
Turnover		801,458	697,190
Expenditure		(801,458)	(697,190)
		<u>          </u>	<u>          </u>
Profit on ordinary activities after taxation		-	-
		<u>          </u>	<u>          </u>
Total assets as at 31 <sup>st</sup> March 2023		489,607	125,606
Total liabilities as at 31 <sup>st</sup> March 2023		(489,606)	(125,605)
Capital and reserves		<u>          1</u>	<u>          1</u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**14. TANGIBLE FIXED ASSETS**  
*Group and Charity*

	<b>Fixtures and fittings</b>	<b>Total</b>
	£	£
<b>Cost:</b>		
At 1 April 2023	302,794	302,794
Additions	188,702	188,702
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2024	491,496	491,496
	<hr/>	<hr/>
<b>Depreciation:</b>		
At 1 April 2023	51,639	51,639
Provided during the year	38,210	38,210
	<hr/>	<hr/>
At 31 March 2023	89,849	89,849
	<hr/>	<hr/>
<b>Net book value:</b>		
At 31 March 2024	401,647	401,647
	<hr/>	<hr/>
At 1 April 2023	251,155	251,155
	<hr/>	<hr/>

**15. Stock**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
Catering Stock	42,778	37,512	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	42,778	37,512	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**16. DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
Trade Debtors	56,344	31,117	16,201	14,978
Other Debtors	41,962	14,442	30,579	9,300
Prepayments	52,247	140,489	52,247	140,489
Accrued Income	180,161	46,530	163,301	37,128
Intercompany	-	-	272,184	15,363
	<u>330,714</u>	<u>232,578</u>	<u>534,512</u>	<u>217,258</u>

**17. CREDITORS: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
Trade Creditors	115,347	128,334	59,992	69,355
Loan 1yr	-	-	-	-
Other tax and social security	146,143	122,523	118,902	105,274
Other Creditors	85,790	100,071	83,390	99,696
Accruals	477,586	286,689	371,773	264,830
Deferred income	1,372,756	1,239,090	1,346,142	1,227,310
	<u>2,197,622</u>	<u>1,876,707</u>	<u>1,980,199</u>	<u>1,766,465</u>

	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	£	£	£	£
Deferred income at 1 April 2023	1,239,090	1,336,364	1,227,310	1,321,114
Resources deferred during the year	1,372,756	1,232,000	1,346,142	1,227,310
Amounts released from previous periods	(1,239,090)	(1,336,364)	(1,227,310)	(1,321,114)
	<u>1,372,756</u>	<u>1,232,000</u>	<u>1,346,142</u>	<u>1,227,310</u>

Deferred income is made up of Advance Ticket income, prepaid elements of the Council Service Fee, Gift Vouchers, Prepaid Venue Hire.

Advance Ticket income includes all ticket income received for shows after the 31<sup>st</sup> March 2024 and no adjustment has been made for refunds, cancellations or postponement of shows made after this date.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**18. CREDITORS: amounts falling due after one year**

There were no creditors due over one year in either 2024 or 2023

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2024 £</b>	<b>Designated funds 2024 £</b>	<b>Restricted fund 2024 £</b>	<b>Total 2024 £</b>
<b>Group</b>				
Fixed assets	-	401,647	-	401,647
Current assets	2,323,426	707,890	56,935	3,088,251
Current liabilities	(2,197,622)	-	-	(2,197,622)
Non-current liabilities	-	-	-	-
Pension liability	-	-	-	-
	<u>125,804</u>	<u>1,109,537</u>	<u>56,935</u>	<u>1,292,276</u>

**Charity**

Fixed assets	-	401,647	-	401,647
Current assets	2,106,003	707,890	56,935	2,870,828
Current liabilities	(1,980,199)	-	-	(1,980,199)
Non-current liabilities	-	-	-	-
Pension liability	-	-	-	-
	<u>125,804</u>	<u>1,109,537</u>	<u>56,935</u>	<u>1,292,276</u>

	<b>Unrestricted funds 2023 £</b>	<b>Designated funds 2023 £</b>	<b>Restricted fund 2023 £</b>	<b>Total 2023 £</b>
<b>Charity</b>				
Fixed assets	-	251,155	-	251,155
Current assets	1,891,531	897,515	9,670	2,798,716
Current liabilities	(1,766,465)	-	-	(1,766,465)
Non-current liabilities	-	-	-	-
Pension liability	-	-	-	-
	<u>125,066</u>	<u>1,148,670</u>	<u>9,670</u>	<u>1,283,406</u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**20. STATEMENT OF FUNDS**

<b>Group &amp; Charity</b>	<b>At 1 April 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers, Gains and Losses £</b>	<b>At 31 March 2024 £</b>
<b>Restricted funds</b>					
Access to Work	-	496	-	-	496
Aurelius Trust	-	2,992	-	-	2,992
BFI	-	375	(375)	-	-
Big Dig Burpham	-	10,903	-	-	10,903
Fit for the Future	-	2,452	-	-	2,452
Frozen Light	-	1,250	(1,250)	-	-
Going Green	-	987	-	-	987
Creative Futures	4,808	-	-	-	4,808
Google Ads	-	49,108	(49,108)	-	-
HAF Easter 2023	2,349	-	(2,349)	-	-
HAF Summer 2023	-	3,317	(3,317)	-	-
HAF Winter 2023	-	3,218	(3,218)	-	-
Hearing Loops Project	-	18,192	(19,116)	924	-
Highdown Revisited	-	17,684	-	-	17,684
Idlewild	-	5,000	(4,890)	-	110
London Film Festival	-	350	(350)	-	-
Restricted Museum Donations	100	-	(95)	-	5
Open 2023 Prizes	-	500	(500)	-	-
Museum Development Southeast	2,413	-	(2,000)	-	413
Spin Out 2023	-	1,250	-	(1,250)	-
Summer of Circus 2024	-	15,000	-	-	15,000
Strong Start	-	1,000	-	-	1,000
Ukraine Culture Day	-	540	(455)	-	85
Warm spaces 2024	-	1,000	(1,000)	-	-
	<b>9,670</b>	<b>135,614</b>	<b>(88,023)</b>	<b>(326)</b>	<b>56,935</b>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**20. STATEMENT OF FUNDS (continued)**

Group	At 1 April 2023 £	Income £	Expenditure £	Transfers, Gains and Losses £	At 31 March 2024 £
<b>Reserves for Key Risks &amp; Uncommitted Expenditure</b>					
Ticket Income Reserve	115,000	-	-	-	115,000
New Equipment	74,800	-	-	-	74,800
Maintenance	50,000	-	-	-	50,000
Insurance Claim Shortfall	12,000	-	-	-	12,000
HR Reserve	12,000	-	-	-	12,000
Pension Strain	20,000	-	-	-	20,000
Buildings Access Improvements	28,413	-	-	(14,626)	13,787
Essential Website Development	48,000	-	-	-	48,000
	360,213	-	-	(14,626)	345,587
<b>Committed Expenditure + Restoration Levy Fund <sup>3</sup></b>					
Restoration Levy Fund <sup>4</sup>	344,641	178,364	(178,364)	-	344,641
Future Depreciation of Fixed Assets	251,156	-	-	150,491	401,647
Theatre Auditorium Seats	177,714	-	-	(175,000)	2,714
Museum Display Cases	10,947	-	-	-	10,947
Museum Lighting	4,000	-	-	-	4,000
	788,458	178,364	(178,364)	(24,509)	763,949
Total Designated Funds	1,148,671	178,364	(178,364)	(39,134)	1,109,537
Pension reserve	-	-	-	-	-
Free reserves	125,065	4,995,440	(5,034,161)	39,460	125,804
General Funds	1,273,736	5,173,804	(5,212,525)	326	1,235,341
<b>TOTAL Funds</b>	<b>1,283,406</b>	<b>5,309,418</b>	<b>(5,300,548)</b>	<b>-</b>	<b>1,292,276</b>

<sup>3</sup> The majority of Committed Expenditure Reserves is earmarked to be spent in 2024/25 with the exception of the Restoration Levy Fund of £345K (for business-critical equipment, furniture and creative projects in the long-term future), and the Fixed Asset Depreciation Reserve (£402K) which will cover depreciation of fixed assets over 7-10 years.

<sup>4</sup> Ticket Levy income of £178,364 for 2023/24 was all spent on appropriate costs during the 2023/24 year.

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**20. STATEMENT OF FUNDS – Comparative Statement**

<b>Group</b>	<b>At 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers, Gains and Losses</b>	<b>At 31 March 2023</b>
	£	£	£	£	£
<b>Restricted funds</b>					
Restricted Museum Donations	-	100	-	-	100
British Film Institute Grants	4,596	-	(4,596)	-	-
Google Ads	-	37,839	(37,839)	-	-
Royal Pavilion and Museums Trust	412	3,000	(1,000)	-	2,412
Creative Futures Campaign	-	7,699	-	(2,890)	4,809
Holiday, Activities & Food programme	-	6,191	(3,842)	-	2,349
Warm Spaces	-	500	(3,390)	2,890	-
Access to Work	-	2,478	(2,478)	-	-
London Film Festival	-	750	(750)	-	-
Kickstart Grant	2,826	-	(2,826)	-	-
	<u>7,834</u>	<u>58,557</u>	<u>(56,721)</u>	<u>-</u>	<u>9,670</u>
<b>Designated Funds</b>					
<b>Reserves for Key Risks &amp; Uncommitted Expenditure</b>					
Ticket Income Reserve	115,000	-	-	-	115,000
New Equipment	74,800	-	-	-	74,800
Maintenance	50,000	-	-	-	50,000
Insurance Claim Shortfall	12,000	-	-	-	12,000
HR Reserve	12,000	-	-	-	12,000
Pension Strain	20,000	-	-	-	20,000
Buildings Access Improvements	70,000	-	-	(41,587)	28,413
Essential Website Development	-	-	-	48,000	48,000
	<u>353,800</u>	<u>-</u>	<u>-</u>	<u>6,413</u>	<u>360,213</u>
<b>Committed Expenditure + Restoration Levy Fund</b>					
Restoration Levy Fund	202,971	-	-	141,670	344,641
Future Depreciation of Fixed Assets	267,089	-	-	(15,933)	251,156
Theatre Auditorium Seats	166,000	-	-	11,714	177,714
Museum Display Cases	13,200	-	-	(2,253)	10,947
Museum Lighting	4,000	-	-	-	4,000
Spin Out 2022	22,710	5,000	-	(27,710)	-
We Are Here 2022	13,450	-	-	(13,450)	-
Ringfenced Staff costs	785	-	(785)	-	-
	<u>690,205</u>	<u>5,000</u>	<u>(785)</u>	<u>94,038</u>	<u>788,458</u>
<b>Total Designated Funds</b>	<u>1,044,005</u>	<u>5,000</u>	<u>(785)</u>	<u>100,451</u>	<u>1,148,671</u>
Pension reserve	(845,000)	-	(183,000)	1,028,000	-
Free reserves	262,568	4,664,985	(4,702,038)	(100,451)	125,065
<b>General Funds</b>	<u>461,573</u>	<u>4,669,985</u>	<u>(4,885,823)</u>	<u>1,028,000</u>	<u>1,273,736</u>
<b>TOTAL Funds</b>	<u>469,407</u>	<u>4,728,542</u>	<u>(4,942,544)</u>	<u>1,028,000</u>	<u>1,283,406</u>

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2024**

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## **21. PENSION COMMITMENTS**

### **People's Pension Scheme**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £15,844 (2023: £12,407). Contributions totalling £7,266 (2023: £6,104) were payable to the fund at the balance sheet date and are included in creditors.

### **Local Government Pension Scheme (LGPS)**

Worthing Theatres & Museum (WTM) operates a defined benefit pension scheme for staff transferred from the Council under the Transfer of Undertaking (Protection of Employment) (TUPE) regulations. WTM is an Admission Body, Worthing Borough Council (WBC) is the scheme employer and the fund is managed by West Sussex Pension Fund.

As part of WTM's Agreement with Worthing Borough Council (WBC) our employer contribution rate is capped at 17.9% for the duration of the Agreement and WBC funds any surplus contributions. The Fund has confirmed that the employer rate for the 3-year period April 2023 - March 2026 is 17.5%. The Council pays any excess over 17.9% employer contributions.

The Council Members agreed at Committee in December 2022 to amend the existing arrangement to a pass-through agreement in which WBC assumed the exit risk from 31<sup>st</sup> March 2023. They also agreed to provide a guarantee for the duration of the Management Agreement.

From this year, there is no longer a requirement to include in the charity's balance sheet any assets or liabilities in relation to historic liabilities for the LGPS fund due to the pass-through arrangement.

Whilst there is no liability for the overall deficit on the scheme, there are potential future liabilities in relation to pension strain. WTM insures against pension strain due to early retirement due to ill-health. There may be potential future contingent liabilities that would be provided for in the financial statements should they arise. At 31 March 2024 and 31 March 2023 no such liabilities had crystallised.

Contributions totalling £12,028 (2023: £14,423) were payable to the scheme at the balance sheet date and are included in creditors.

The total contributions made for the year ended 31<sup>st</sup> March 2024 was £156K (2023: £157K).

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2024**

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**22. Related Party Transactions**

During the year the charity recharged its wholly owned subsidiary, Worthing Theatres & Museum (Trading) Limited £238,560 (2023: £174,295) for services and management charge. At the year end Worthing Theatres & Museum (Trading) Limited owed the charity £272,184 (2023: £15,363)

Our Trustee, Andrew Comben is Chief Executive of Brighton Dome & Brighton Festival who provide Worthing Theatres & Museum with Payroll, Accounting and HR support/advice (Value for 2023/24 £40,305 (2022/23 £37,839)

Our Trustee and Director of our Trading Subsidiary, Andy Sparsis, is the Owner of The Fish Factory who occasionally provide WTM with food for our HAF programme (Value for £2023/24 £882)

There were no outstanding fees relating to these services as at 31st March 2023.

There were no other related party transactions.

**23. CAPITAL COMMITMENTS**

As at 31st March 2024 there were not Capital commitments

**WORTHING THEATRES & MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2024

**24. Detailed Comparative Statement of Financial Activity**

This is a breakdown by fund of the items shown in the Statement of Financial Activities on page 43.

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income from</b>				
Donations and grants	3	29,191	58,557	87,748
Charitable activities	4	3,917,889	-	3,917,889
Trading activities	5	696,733	-	696,733
Investments	6	26,172	-	26,172
<b>Total income</b>		<u>4,669,985</u>	<u>58,557</u>	<u>4,728,542</u>
<b>Expenditure on</b>				
Raising funds	7	847,520	-	847,520
Charitable activities	8	4,038,303	56,721	4,095,024
<b>Total expenditure</b>		<u>4,885,823</u>	<u>56,721</u>	<u>4,942,544</u>
<b>Net income</b>		<u>(215,838)</u>	<u>1,836</u>	<u>(214,002)</u>
Transfers between funds		-	-	-
Actuarial (losses)/gains on defined benefit pension schemes		1,028,000	-	1,028,000
<b>Net movement in funds</b>		<u>812,162</u>	<u>1,836</u>	<u>813,999</u>
<b>TOTAL FUNDS AT 1 APRIL 2022</b>	20	<u>461,573</u>	<u>7,834</u>	<u>469,407</u>
<b>TOTAL FUNDS AT 31 MARCH 2023</b>	20	<u>1,273,735</u>	<u>9,670</u>	<u>1,283,406</u>

**WORTHING THEATRES & MUSEUM**

England & Wales - Charity number 1185189

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# Accounts

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Registered Charity Number: 1185189

**WORTHING THEATRES & MUSEUM**  
**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## WORTHING THEATRES AND MUSEUM

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## **CHARITY INFORMATION - For the year ended 31<sup>st</sup> March 2023**

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### **Reference and administrative details**

#### **Trustees**

P M Cadwallader (Chair)	
S B Marshall (Vice Chair)	
Dr J D Broomfield	(Resigned 9 July 2022)
L Burgess	
L Cassidy	(Appointed 18 May 2023)
A S Comben	
S Fitzgerald	(Appointed 16 May 2022. Resigned 15 February 2023)
J Kapsalis	
C Kelly	
A Lapper, MBE	(Appointed 20 April 2022. Resigned 08 June 2023)
O Mokuolu	(Appointed 5 June 2023)
S K Parsonage	
H Persson Swain	
A Sparsis	(Appointed 19 May 2023)

#### **Executive and Senior Management**

Current officers and those who served during the period are as follows:

#### **Executive Team:**

Amanda O'Reilly	Creative Director & CEO
Jill Stewart	Executive Director (Company Secretary)

#### **Senior Management Team:**

Gerry Connolly	Head of Museum & Exhibitions
Gemma Curtis	Head of Programming
Bernard Dodds	Head of Finance
Jackie Friend	Head of Marketing & Audience Development (appointed March 2023)
Pamela Kent	Head of Marketing and Development (left September 2022)
Rachel Madden-Ward	Head of Customer Experience
Matt Pike	Head of Technical, Production and Buildings

**Charity Registered number:**  
1185189

**Principal Office:**  
Connaught Theatre  
Union Place  
Worthing  
BN11 1LG

**Secretary:**  
J Stewart

**Auditors:**  
Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Bankers:**  
Barclays Bank  
1 Chapel Road  
Worthing  
BN11 1EX

**WORTHING THEATRES AND MUSEUM**  
**TRUSTEES' REPORT**  
For the year ended 31<sup>st</sup> March 2023

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The Trustees present their annual report together with the audited financial statements of the Charity for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023.

**Foreword by Scott Marshall, Acting Chair**

We have emerged from the pandemic a more creative, resilient, and efficient organisation that is much more connected to the people of Worthing. The recovery, whilst not complete, is faster than predicted thanks to the WTM Staff Team and Volunteers, our audiences who are returning with ticket sales steadily growing and the many partners, including the community groups who hire our venues. The museum footfall has been a particular success with 83K people visiting the collections and exhibitions and participating in the workshops.

We would particularly like to thank Worthing Borough Council (WBC/Council) for their continued financial support and partnership working.

The success of the culture provision as an independent charity is now clear, with reduced costs for WBC compared to the previous inhouse culture provision, a higher quality and more diverse offer, dramatically increased community engagement and social impact. There is also the benefit of the talented team of Trustees who bring a range of expert skills to the organisation in their voluntary capacity.

The charity has developed the focus of the theatres and museum in Worthing. We offer a varied programme of events, and also consider the wellbeing and happiness of the community, particularly during the difficult times of covid and the economic crisis. In 2022/23 this included free tickets to families using food banks, free cinema tickets as well as a hot drink (as part of our Warm Spaces Scheme), and free activities and tickets for children who receive free school meals (as part of the HAF (Holiday Activities and Food Programme)).

WTM's economic impact in 2022/23 is estimated to have increased by £1.7m versus 2021/22 – an increase of 46%. This is 69% of the peak pre-pandemic result achieved in 2018/19, and provides a return of £6.02 for every £1 invested in WTM by Worthing Borough Council

We are still working to reach the point of holding three months operating costs in reserves, but incredibly we have been able to strengthen our reserves over the last year and this increased viability and long-term sustainability increases the opportunities for external investment.

We have also been able to invest in the buildings, finally authorising the replacement of the Pavilion auditorium seating and 50% of the seating in the Assembly Hall.

We are now focused on the Business Plan for the next five years, prioritising serving our community and developing the programme of events and activities whilst remaining financially viable. We are also considering our environmental responsibilities and the need to improve access across the venues.

Later this year we will be negotiating the next five-year service payment plan with WBC and hope they will continue to invest at a level that enables the Charity to fulfil our vision for a community in which everyone's lives are enriched through vibrant, inspiring, creative arts and heritage.

## Executive Team Report

2022/23 has been the charity's first full year of delivering a rich and diverse programme of cultural activity. There has been a marked improvement in the cultural offer for Worthing with Othello, our first performance from the incredible Frantic Assembly, Henry V by Headlong coming to Worthing direct from Shakespeare's Globe Theatre, the moving Kintsugi Women exhibition, and a brilliant summer season of free outdoor performances as part of SpinOut.

We have provided a varied high-quality programme of performances and events that inspire, challenge, educate and entertain not forgetting the importance of a good night out with a plethora of comedy and music shows.

We have increased our focus on the social impact we can have on the communities living in Worthing Borough, reaching out to provide accessible pathways to experience creativity, embracing initiatives such as the Holiday Activities Fund, Warm Spaces and working with local charities including the food bank to provide families who are struggling with tickets to our pantomime. We have continued to support 25 community groups and are delighted that most have survived the challenge of the pandemic and are going from strength to strength. WTM is proud to serve its community and determined to actively contribute to the wellbeing and happiness of the people of Worthing.

We have dramatically increased our participation programme with 66 workshops focused on giving people the opportunity to experience the joy of creativity and a sense of connection. This will be an area of growth over the next three years, and we plan to open up more space in the venues, work with partners and consult with the community to develop a popular and inspiring range of activities.

We have continued to support artists, makers, and companies to develop and exhibit work, providing R&D for seven companies, agreeing two Associate Companies to support long term, hosting the European Aerial Dance Festival and the Theatre of the Funny Clowning summer school as well as presenting the work of nine local artists in the Sussex Contemporaries Exhibition.

Throughout our work we champion inclusion, supporting the creation and presentation of work that celebrates diversity with twelve performances/exhibitions which showcase the work of creatives with protected characteristics as part of our "We Are Here" programme.

Although 2022/23 has been our most challenging year from a financial perspective since we became a charity in November 2019, the reserves that we have built up in this short time have allowed us to be resilient in this economic crisis with the challenges of high inflation, soaring energy costs and five historic buildings. Our reserves have enabled us to invest in the venues this year. The Connaught Theatre now has a fully accessible dressing room and shower room with easy access to the stage for wheelchair performers and we have made the front doors to the Studio Theatre automatic to aid access. We have made digital improvements, installing external electronic signs on the Pavilion Theatre. Income from our secondary non charitable trading activities, including bars and venue hire, continues to build back up post pandemic through our Trading Subsidiary.

Finally, we would like to thank the WTM Staff Team and Volunteers for their continued hard work and commitment to the organisation and our dedicated Board of Trustees for their continued support and guidance.

## **Looking forward**

In 2023/24 we need to continue to strive for increased financial stability and maximise our income streams, particularly our ticket income and venue hires. With a new and highly skilled Head of Marketing joining the team we will be prioritising our audience development and engagement, evaluating our marketing strategies, cleaning our data, and working on the procurement of a much needed new and improved website. We will be increasing our consultation and developing a framework for evaluation, data analysis and measuring change.

The charity is continuing to work in partnership with WBC on bids to redevelop the Museum which will be a five-year capital project for improvements. We are also considering the development of the Connaught Theatre and Studio which lacks circulation space, has an underused first floor bar and needs an extra cinema screen to free up the Main House for both community performances and the professional programme. We are working with architects to develop a plan to address these issues.

We will continue to make access improvements across the venues. The new seating in the Pavilion will include a number of wider seats which will make the venue more inclusive. We are now fundraising to replace the final 300 seats in the Assembly Hall and will again include a row of wider seats. We will also be replacing two steps with a ramp so we can give our customers who use wheelchairs a wider choice of positions to enjoy the shows in the Pavilion. Our hearing loops are at end of life so we are planning to replace these and will be making access videos to support customers who need or prefer to understand the experience of visiting the venues in advance.

In the summer of 2023 Worthing has its first cultural festival with 16 events provided by WTM including two incredible free outdoor aerial pieces ('Wild' by Motionhouse and 'Why' by Gravity and Levity). We will work with WBC and Time for Worthing to develop the Worthing Festival for 2024.

We have begun work to review and improve our people policies, starting with our Code of Conduct, as we continue to build on our culture to promote unity and diversity, providing a supportive workplace and environment where differences and what we have in common are celebrated. We engage with responsible and respectful working practices and empower our team to shape and deliver WTM's key objectives with integrity. WTM opposes all forms of discrimination. The Leadership Team began AMA's 12-month Breakthrough Training in January 2023, which brings leadership teams together to transform their organisations, with a whole-team approach to inclusivity. We plan to work with 'Safer Spaces', a company which helps educate and create a culture that confronts and prevents sexual harassment. WTM is also currently updating and strengthening our Safeguarding policy and procedures with training for the Safeguarding leads and the wider team.

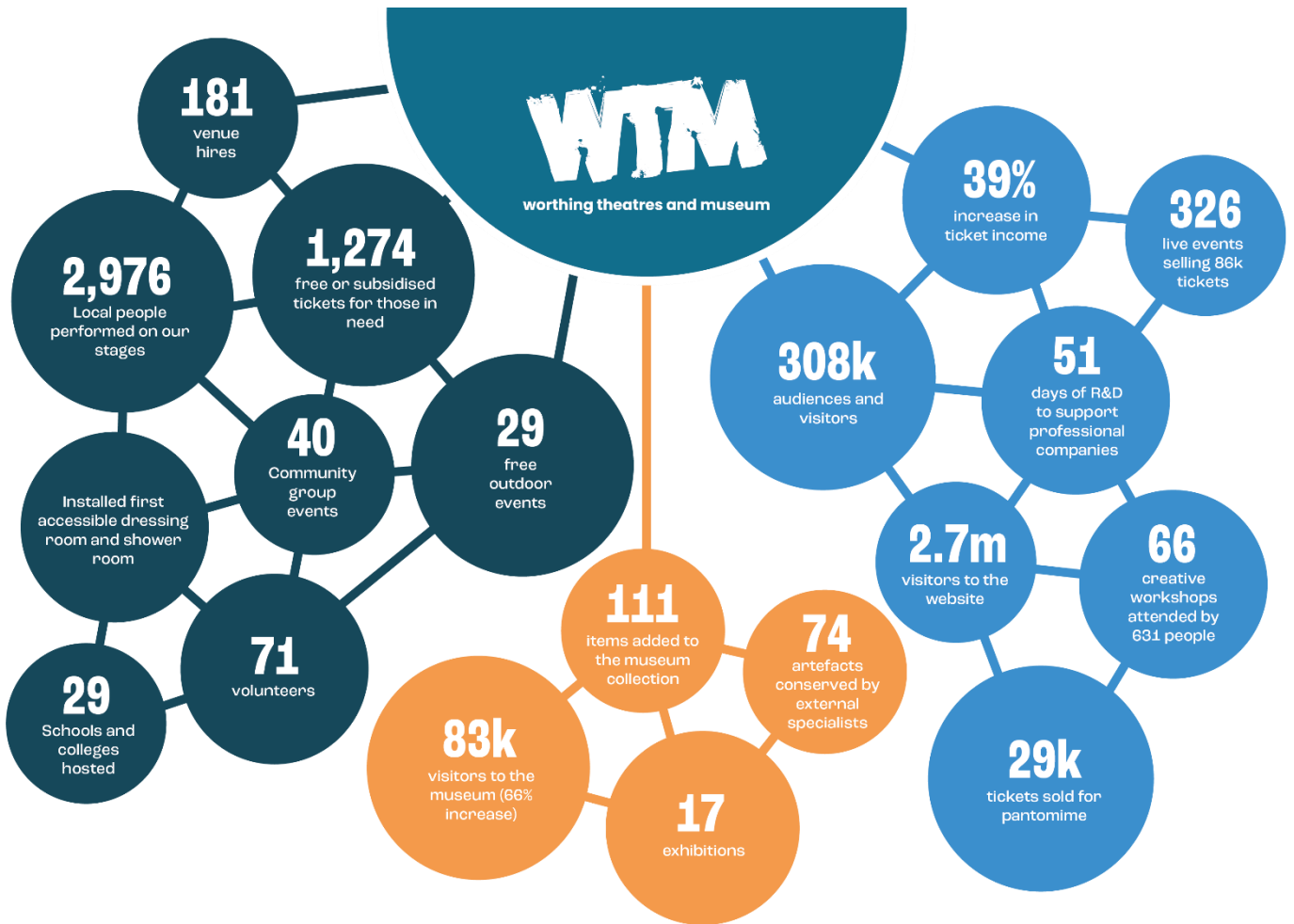
We will continue in 2023/24 to develop the WTM team employing a Head of Buildings and Facilities to enable us to fulfil our plans to improve accessibility and to establish a Sustainability Strategy.

We are looking forward to our second fully operational year of our young charity.

**Amanda O'Reilly, Creative Director and CEO**

**Jill Stewart, Executive Director (Company Secretary)**

# 2022 /23 Highlights





## Our Vision

**Our Vision** is a community in which everyone's lives are enriched through vibrant, inspiring, creative arts and heritage.



## Our Mission

**Our Mission** is to enable everyone to access arts and heritage by:

- Reaching out into communities, providing accessible pathways to experience creativity.
- Actively contributing to the wellbeing and happiness of our community.
- Creating shared experiences that inspire, challenge, educate and entertain.
- Championing inclusion, supporting the creation and presentation of work that celebrates diversity.
- Creating aspirational opportunities for young people within the cultural industries.
- Delivering a rich and diverse year-round programme of cultural activity.
- Developing opportunities and partnerships with artists and companies.
- Ensuring financial resilience and long term viability whilst providing best value
- Contributing to Worthing's experience economy, promoting positive place making



## Our Values

In everything we do we will:

- Support and enhance the **wellbeing** of everyone we interact with.
- Nurture a culture of **collaboration, respect and integrity**.
- **Listen** and respond to our community and the sector.
- Commit to **inclusivity** across all aspects of the charity.
- Promote **excellence**.
- Take responsibility for our **environmental** impact.

**Worthing Theatres & Museum is a Registered Charity (No. 1185189). WTM became a Charitable Incorporated Organisation (CIO) (CE018745) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.**

## **Who We Are and What We Do**

We are a place-based cultural charity that drives social, cultural & economic transformation across our communities, bringing people together, inspiring creativity - contributing to make Worthing and the surrounding areas a great place to live and work. Collaboration, partnership, and community is at the heart of everything we do. We engage with our local communities through a range of projects, partnerships and venue hires, using art and culture to create opportunities for the benefit of the wider community. We are custodians of the Theatres and Museum and strive to make our community feel a sense of ownership and pride in these incredible cultural resources.

Our Charity objectives are:

- To provide or assist in the provision of facilities and cultural events in the interests of social welfare and to advance public participation and engagement with arts and culture for recreation or other leisure time occupation by individuals who have need of such facilities by reason of youth, age, infirmity or disability, financial hardship, or social circumstances with the object of improving their conditions of life.
- To promote social inclusion through theatre and dramatic arts, and other cultural activities by preventing people from becoming socially excluded, relieving the needs of people who are socially excluded and assisting them to integrate into society.
- The promotion of arts, particularly but not exclusively, by promoting and facilitating access to performances of theatre and dramatic arts, and other cultural activities.
- The advancement of education, particularly but not exclusively, in relation to theatre, dramatic arts, and the preservation of important historical collections of decorative arts and clothing within a museum.

Worthing Theatres & Museum is a unique arts and heritage charity with a large portfolio of distinct venues all positioned within the heart of Worthing in West Sussex. In 2022/23 we welcomed 308,000 people to the venues, including 83K visitors to the Museum in 2022/23, climbing back towards our pre pandemic figure of 400,000.

- Museum and Gallery
- Connaught Theatre (520 seats)
- Connaught Studio (164 seats)
- Pavilion Theatre (750 seats)
- Pavilion Atrium (creative space with option for 200 seats)
- Assembly Hall (950 seats)

WTM is an ambitious charity that presents a vibrant, diverse, and entertaining programme of performances (theatre, contemporary circus, dance, comedy, music, family theatre, talks), events, film, exhibitions and workshops. We manage a museum collection of national significance (costume, archaeology, fine art, toys), present an annual outdoor summer festival and collaborate with leading UK producing and touring companies.

Our 2022-23 annual turnover (post pandemic) was £4.7 million. WTM receives an annual service payment from Worthing Borough Council for management and development of its cultural assets. Additional income is earned through ticket sales, fundraising and other revenue streams which include a contribution from our secondary trading activities, such as bars & kiosks (through our wholly owned trading subsidiary). WTM is estimated to have a pre-pandemic direct impact on the local economy of at least £5.2m per annum, which is almost a 7:1 return on the Council's investment (Economic and Social Impact Study 2018).

WTM supports more than 200 FTE jobs (directly and indirectly). WTM offers an inspiring and supportive workplace that promotes unity and diversity, providing an environment where differences and what we have in common are celebrated. We engage with responsible and respectful working practices and empower our team to shape and deliver WTM's key objectives with integrity. WTM opposes all forms of discrimination.

WTM also has a trading subsidiary company, Worthing Theatres & Museum (Trading) Ltd (12296105) that is responsible for non-charitable activities which is wholly owned by the charity.

## **Serving our community - social impact**

WTM is a place-based cultural charity which brings people together, building civic pride, inspiring creativity - making Worthing a great place to live and work. Collaboration, partnership, and community is at the heart of everything we do.

With the economic crisis following hard on the heels of the pandemic we are very aware that many people in our community are struggling, meaning cultural events are a luxury that simply cannot be afforded. We worked with Worthing Food Foundation, Storm, Safe in Sussex, and West Sussex Mind to put 326 pantomime tickets in the hands of people who would not have been able to attend or bring their families.

WTM successfully applied for funding from the Holiday Activities Fund and provided show/film tickets, lunch, and workshops for free for 64 children who qualify for free school lunches at Christmas and a further 56 in the February half term.

In January we joined the Warm Spaces scheme offering space and hot drinks in both the Connaught Theatre and the Museum. In addition, we self-funded 679 cinema tickets as part of the Warm Spaces offer.

During July and August, we programmed 23 free outdoor shows as part of Spin Out, building on the circus and street arts programming that has been so successful over the last five years. Performances included: Shristi Dance, Scratchworks, Dizzy O'Dare, Half a String, All or Nothing, Brainfools, Stop Gap and the repeat of Joseph Toonga's Born to Protest. This work was supported by Worthing Borough Council and Worthing Town Centre Initiative.

We are particularly proud of the 'Less Heard Voices' strand of our programming which actively sought work (performances and exhibitions) that included artists with protected characteristics including: Mapping Gender - considering the trans experience; Frozen Light for young adults with profound and multiple learning disabilities; Victoria Melody's HeadSet considering neuro diversity; Frock by Stopgap and Delicate by Extraordinary Bodies both offered incredibly talented role models for people with

disability; Brainfool's Happy Pigeon and the Kintsugi Women exhibition both considered homelessness; and Shristri Dance brought amazing Indian dance to Worthing's town centre. In response to this work, we engaged with relevant local community groups to subsidise tickets for specific groups to attend. For example, Emma Frankland performed Hearty which was a visually spectacular performance about her trans journey. We gave 30 subsidised tickets to The Clare Project and 15 to Allsorts Youth.

WTM has worked on projects in partnership with 11 local organisations including a writer's workshop as part of Pride, an exhibition with Superstar Arts, working with young people from The Sand Project to redesign our star dressing room at the Pavilion and for the fourth year working with MET College on the props for the pantomime.

We worked with 29 local Educational Establishments offering bespoke visits to the Museum, access to the collections, opportunities to perform on the stage at the Pavilion and the chance to contribute to the film programme. We also supported 40 local community groups including Worthing Philharmonic Orchestra, Worthing Musical Theatre Company, Worthing Musical Comedy Society, Worthing Archaeological Society, Worthing Veterans and St Barnabas. This resulted in 2976 local people performing on the Worthing Theatres stages in 2022/23.

A key focus for WTM is supporting freelance artists and companies to create new work as part of our Made in Worthing project. In 2022/23 we supported seven companies including three local professional companies with R&D space and resources to prepare for touring later in the year. We also showcased the work of nine Sussex based artists as part of the Sussex Contemporary exhibition.

Volunteering opportunities have always been important to WTM both for the incredible support they bring to the organisation and for the support we can give to people in our community who may need to build confidence to get back into the workforce, may be suffering from loneliness or anxiety. We are proud to have an average of 71 volunteers over the year who are valued members of the team. Our volunteers work on shows supporting front of house, help us distribute our marketing materials across the borough and work with our curators and conservators on the museum collections.

## **Programme development – a vibrant cultural and heritage offer.**

WTM has an extensive and varied programme of events and activities which totalled 3,491 in 2022/23 and included a full range of live events (theatre, comedy, dance, music, circus, family shows), the ever-popular pantomime, film & live screenings, exhibitions, talks, free outdoor performances, archaeology walks on the South Downs and a growing programme of workshops and classes.

### **Live Events**

We held 326 ticketed live events in the venues with 84K tickets sold. The programme was excellent including: Jitney by Headlong, Othello by Frantic Assembly, with Peter James' Looking Good Dead being the biggest seller for theatre over nine performances. We had the first performance from our Associate Company A&E Comedy who performed the hilarious Witch Hunt.

It has been clear that the 'Good Night Out' programming has had the highest sales particularly Comedy (including Jason Manford, Maisie Adam, Henning Wehn, Tom Allen, and Jenny Eclair) and Music (That'll be the Day, A Country Night in Nashville, Leo Sayer but also more contemporary bands including Metronomy, and Rufus Wainwright).

Dance is always a strong genre for WTM with good sales for Giovanni Pernice, Ballet Boyz, and Silent Lines by Russell Maliphant Dance Company.

Family focused performances have also sold well particularly Zog, Ministry of Science and The Queen's Knickers which was programmed as part of the Queen's Jubilee celebrations.

## **Pantomime**

Jack & the Beanstalk was extremely successful with 29,465 tickets sold across the 55 performances achieving 86% of the capacity, only 3% less than the record-breaking Cinderella in 2019. We have continued our partnership with Met College making the props for the Giant's castle.

## **Film**

Film attendance has been slower to return to pre pandemic numbers due to the increased home screening opportunities provided by Disney, Apple, and Netflix. We held 2893 film screenings selling 89K tickets with an income of £399K.

The state of the cinema industry is very much still in rebuilding mode. Although a lot of press has been made over films and cinema being back on track - that is very much from a distributor's point of view. Exhibitors are still recovering. There has been a lack of product coming through and films are being released wider than ever before and then making the transfer to home viewing quicker than ever before. Films like Top Gun making \$1bn and Avatar 2 making \$2bn are driving the headlines, but those films were released in twice as many cinemas as there were just five years ago, so the takings are spread thin. A report from 'The Cinema Foundation' claiming the sector had 'returned to its feet' was quickly rebutted by Variety. That said, 2023 is expected to be a bumper year for cinema, although poor reviews for big titles have dampened estimates after the first quarter not delivering.

The most successful film titles: Elvis, Glass Onion, Matilda, Top Gun Maverick, and Downton Abbey 2. Most successful Screen Arts: Prima Facie and ROH Nutcracker

WTM's film programme always has unusual events that prove very popular: Q&A with director Phil Grabsky for the Exhibition On Screen film of Hopper, screening Twin Peaks Fire Walk With Me, Screening Back To The Future and having a DeLorean from the movie parked outside for customers to sit in and have their photo taken and being successful in our bid to screen Glass Onion. One of only 50 cinemas in the country to be able to screen it.

Although film audience numbers are proving slower to recover than live events, we have seen improvement in the first quarter of 2023/24 and hope we will be able to return to pre-pandemic levels, however it should be noted that the industry is still reporting a soberingly slow recovery (article in Screen Daily).

## **Participation**

WTM held 66 workshops/classes during the year attended by 621 people and covering a very broad range of activities: willow weaving, printmaking, garden design, upcycled Fashion to dance classes with Strictly Professionals. We also launched weekend workshops for a more in-depth experience with Corset Making and Flint Knapping. This has been an important area of growth for WTM providing creative opportunities for the community. We have also launched professional development classes working in partnership with Lila Dance and Spymonkey. We hosted the International Aerial Dance summer School at the Pavilion in August.

## **Museum**

Footfall for the Museum has smashed all previous records with 83K of visitors in 2022/23, a 66% increase on the previous year and 68% increase on the pre pandemic footfall. WTM's success has bucked the national trend with most museums and galleries 2022/23 footfall still 23% lower than their pre pandemic numbers (data from Museum Association).

We have continued the late opening on Thursdays and opening on Sundays both of which are very popular. We are closed to the public on Mondays and Tuesdays which gives the opportunity for bespoke schools' visits. The Museum hosted 24 school visits this year.

The Curators have hosted talks in the Museum throughout the year giving access to elements of the collections that are not on display. The Autumn Lecture Series and the Archaeology walks on the South Downs both with our Curator James Sainsbury were particularly popular, selling out in just a couple of days.

WTM added 111 artefacts to the Museum Collection including: military medals, Roman pot shards, a letter from King George VI, a medieval brooch, as well as various toys, costume items, and art works and managed the conservation of 74 items already in the collection.

The Costume Research Centre opened in 2019 with the costume collection being carefully moved into its new location over a period of six months. In 2022/23 WTM supported 83 researchers, providing space and access to the collection.

## **Exhibitions**

The museum held 17 temporary exhibitions, 9 of which incorporated the Worthing collection. These included: Kintsugi Women working with women who have experienced homelessness, the extremely popular exhibition celebrating the history of Worthing, the Bianca Project, Teddy Bears & Friends, and Invisible People by Henny Beaumont.

## **Other Income Streams**

As is the case with most charities, commercial activities that are not directly linked to our charitable objectives are carried out by our Trading Subsidiary Company (Worthing Theatres & Museum (Trading) Limited, company number: 12296105). The income and expenditure for our Trading Subsidiary is included on the group consolidated figures shown in these financial statements. A gift, equivalent to any profit, is made at the end of each financial year from our Trading Subsidiary to the Charity meaning the Trading Subsidiary does not show any profit or loss. The main activities are as follows:

### **Bars & Kiosks**

This is an essential part of our customer experience, whether it be a glass of wine at the interval of a play or popcorn to accompany a film. The success of the secondary spend income is reliant on the number of events and the number of tickets sold. This year the Bars & Kiosk income increased on the previous year by 66%.

## Venue Hire & Pavilion Kiosk Rentals

The venues have been hired on 181 days with 27 commercial hires, 44 non-commercial hires and 110 charity hires. This provided an income of £169K which is a 117% increase on the previous year. It was particularly thrilling to have Sam Mendes film a scene for the Oscar nominated film, Empire of Light, with Olivia Coleman in the Pavilion Atrium (our venue featured in a behind the scenes picture during the Oscars broadcast).

## Retail

In 2022/23 we set up the online sales system for our Museum Shop and we hope to promote this new income stream more with our new website planned to be launched in early 2024/25

## Audience Engagement

WTM continued to serve its community with a varied cultural offer during 2022/23.

Findings from the Spring 2023 wave of the Cultural Participation Monitor (CPM) indicate arts and culture audiences' slow return post-pandemic is stalling because of cost-of-living concerns. However, nationally panto sales returned to pre-pandemic levels. WTM sold 30K panto tickets in 2022/23, an increase of 7% on 2021/22.

It is worth noting that the CPM research findings from the same period indicate higher levels of late booking, a major shift in booking patterns which WTM also experienced.

During 2022/23 35.5K people bought 225,200 tickets for events at WTM. The majority of tickets were sold to households within 3.5km of Worthing town centre, and increase in catchment of 0.6km from the previous year. There was a 66% increase in visitors to the museum which continues to offer free entrance.

WTM engaged a relatively diverse audience (age, ethnicity, ability, cultural and economic background) from Worthing, the borough and from the South East during 2022/23. WTM over-performed in attracting attendees from the middle-engaged segments of Audience Spectrum. There is room for growth in developing audiences across the lower engaged segments, as well as two of the most engaged segments; Commuterland Culturebuffs and Experience Seekers.

WTM's social media following increased by 6% during 2022/23 and its website received 4,554,395 page views, up by 86% on 2021/22<sup>1</sup>. Email subscribers increased by over 4K during the same period.

WTM was covered widely in the local press, mentioned in the nationals as part of previews for touring shows and Flavia Cacace Mistry and Jimi Mistry made a guest appearance on Loose Women to talk about their Our Life at the Barn talk.

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<sup>1</sup> Please note that Google Analytics Universal, which provides this statistic, is being sunsetted on 1st July 2023 and replaced by Google Analytics 4, a very different platform providing more nuanced analytics.

## Our Teams

In 2022/23 we prioritised recruitment to build the teams back to full strength, making sure we have the best talent to deliver WTM's Vision, Mission and Values for our community. After investing in a multi-purpose conversion of the Assembly Hall cloakroom, WTM now has offices in each of our venues. We began our journey to review and improve our people policies and benefits, making sure that we have as inclusive a workplace as possible. This work will continue in 2023/24. As part of this WTM's leadership team began AMA's Breakthrough Training in January 2023, the training 'brings leadership teams together to transform their organisations, with a whole-team approach to inclusivity.' Completed over a 12-month period this programme will help WTM to breakthrough barriers, to change and develop and action plans, to improve inclusivity across the organisation in alignment with our vision, mission and values and it will inform elements of our business plan.

We invested £11K in staff training and development in 2022/23 as we have previously prioritised statutory and health and safety, but we have also been able to invest in the Breakthrough training, Insights Discovery Training and coaching for our management teams as well as Mental Health & Wellbeing in the Workplace training for our line managers.

WTM has expanded our volunteer offering to include different roles across the organisation and re-launched the 100% Project in late March. The 100% Project gives a unique opportunity for people to access work experience giving them a taste of different areas of the charity. We also joined Good Spaces (<https://goodspace.org.uk/>) as a partner in their work to assess and improve the positive impact that volunteering has on the mental health and experience of volunteers across Sussex in the arts, heritage and sports sectors.

The Executive Management Team seeks to involve all employees, as well as casual staff and volunteers, in the work of the charity and are actively building on our employee engagement practices, developing ways for staff to have their say, including developing a staff forum which was requested by staff, regular issuing of newsletters and holding regular meetings and training sessions. Following our successful Wellbeing survey, we will continue sending these out and acting on staff feedback. We have developed our induction process adding in Exec and new staff meeting sessions as well as an HR induction.

WTM remains a Disability Confident employer and are working towards level 2. We continue to use a blind recruitment process utilising our HR System and recruitment portal and have also developed the use for work experience and volunteering applications and record storage. Our Customer Experience team are successfully using the rota module and we will look to the rest of our operational teams also using the platform to streamline our rota process and staff communications. We regularly promote the use of Employee Assistance Programme and other staff benefits to ensure our staff are making the most of what we offer.

We have attended regular job and career fairs to promote WTM as an employer of choice and to make connections with the local community and potential employees and volunteers. Recently we have attended a DWP job fair and a careers fair at Northbrook College specifically for their Gateway students where the 100% Project was extremely well received.

## **Fundraising & Development**

Let the Light In, Worthing Museum's £7 million capital project was one of our primary focuses in 2022-23, with the delivery to be enabled with the close work and support of our partner, Worthing Borough Council. This ambitious redevelopment project, which will transform the Museum into an exciting and contemporary space of regional and national importance, will be delivered in phases, with funding to be accessed through targeted bids.

We were successful with Creative Futures, a campaign launched in September 2022 and raised £7,699, which supported both the Warm Spaces scheme and access. There was also a successful application to the South East Museum Development for £2,000. This has enabled us to commission the Audience Agency to work with us to review and develop an audience development plan, for both current and potential new audiences. The outcome of this work will help future audience engagement strategy across WTM and help us strengthen future bids and fundraising.

As a young charity incorporated not long before the covid pandemic outbreak, there have been few opportunities to gather data, evidence and consult since our formation. While there have been some unsuccessful bids which would have enabled different approaches to redevelopment, opportunities and organisational change, there has been learnings from the bids submitted. We are confident that by amending our approach and with more data, evidence and consultation built into future funding bids, we can utilise our learning to aid us in these increasingly competitive times.

### **Membership Scheme**

In January 2023, the Fundraising & Development Team began planning the revision of the current WTM membership scheme. We envisage replacing the current multi-tiered, overly complex membership scheme with a single tiered, easy-to-use scheme to increase income. In addition, a patron scheme will be introduced for supporters who wish to donate and engage at a higher level. The development for these schemes is ongoing and will be implemented in September 2023.

### **Individual Giving**

We are very grateful for the generous support we received from donors: online and in person donations of £24,256 and Gift Aid of £4,934. In addition, we received £7,699 of restricted donations from the Creative Futures Campaign as stated above. We also received £11,513 from our WTM Membership Scheme.

### **Trusts, Foundations and Other Funding**

In 2022/23 we also received the following funding:

- Holiday Activities and Food Programme for Christmas and Easter (£6,191)
- WBC/Worthing Town Centre Initiative for Spin Out 2022 (£6,160)
- South East Museum Development / Royal Pavilion & Museums Trust -
  - Organisational Health Check Grant (£2,000)
  - Collections Care Grant (£1000)
- Independent Cinema Office (£750)
- Warm Spaces (£500)

### **Sponsorship**

We secured £5,800 in sponsorship for our Pantomime, Jack and the Beanstalk from Group 1 Worthing MINI Headline Sponsors (£4,000) and The Cow Shed/Number 24 (£1,800).

We established and continue to cultivate relationships with Jones' Coffee Co.; Classic Collections; Jacob Steel; A Plan Insurance; Mangiamo; MAK; Casa Ciro; Lancing Trade Association; Lancing College Worthing Prep; Michael Jones; Robert Luff; Nationwide.

We have increased the core Fundraising Team to enable us to grow and secure funds in future years for this young charity. We are looking forward to benefitting from our full strength team post-covid.

## **Health & Safety**

At the beginning of the year, we still had COVID measures in place with fogging of the venues twice a week until May and then weekly until January 2023. We have retained the hospital standard air purifiers and continue to have them operational in the staff areas and activated when the public are in the buildings. Our Perspex screens stayed in place at points of sale until February.

LOLER inspections have been completed and a plan of works actioned.

The gantry in the Connaught main house has had remedial work completed by WBC.

The Head of Technical, Productions and Buildings and the Buildings Manager attended a three-day IOSH Health & Safety Course to keep their knowledge current.

## **Access and Inclusion**

*Access for All UK* completed the Access Audits for all the buildings, and we have begun to make changes. The Connaught Theatre now has a fully accessible dressing room and shower room with easy access to the stage for wheelchair performers. We have made the front doors to the Studio Theatre automatic to aid access. We are now developing a detailed action plan including a fundraising strategy.

We have increased the number of signed and relaxed performances, held our first captioned pantomime performance and given the staff deaf awareness training. The programme has focused on developing the diversity of events giving the lesser heard sections of our communities a voice and the opportunity to see themselves on stage or film.

## **Venue Improvements**

We have placed the order for new seating for the Pavilion which will be installed in July 2023 at a cost of £178K. This is long overdue, and we have had negative feedback in relation to the seats for some time, but it has taken time to raise the necessary money. This will allow us to move the relatively new 300 seats to the Assembly Hall which has seats that were purchased in the 1980's.

We made the Connaught Studio doors automatic which will reduce the heating bills and gives improved security for the building.

We returned the Pavilion main toilets back to separate Ladies and Gents in September 2022 when we no longer needed a one-way system. This has been welcomed by our audiences. We have made the foyer toilets gender neutral to make sure we are providing a suitable service to all our customers.

We worked with The Sand Project, giving a budget to a group of young people to redesign the number one dressing room at the Pavilion. This has been a great success and we hope to repeat the project in our other venues.

Digital poster frames were installed on the Pavilion Theatre this year removing the need for large paper posters and enabling us to showcase a range of shows and events. We plan to add further digital signs to our other buildings over the next three years.

## **Sustainability and environmental achievements**

WTM is committed to developing an environment action plan with sustainable initiatives that underpin our charitable work. To this end WTM and Worthing Borough Council are working together to become carbon neutral by 2030, one of the biggest projects being the Ground Source Heat Scheme. WTM have also supported Worthing Borough Council with the installation of solar panels on the Assembly Hall. We have replaced 80% of the existing general lighting with environmentally friendly LED bulbs and are determined to change more of the stage lighting to modern LED options when funding becomes available.

We now have a programme to monitor the use of heating and electricity which has enabled us to reduce the usage and make sure there is no unnecessary usage when the venues are dark.

Worthing Borough Council have started the process of replacing the windows in the Connaught which will decrease the amount of heat escaping from the building and mean that the heating in the Connaught can be decreased due to better insulating double glazed windows. this should be in place by autumn 2023.

We have installed digital poster screens on the external walls of the Pavilion which reduces the use of paper posters and allows us to scroll through multiple events at each location.

Our Customer Experience Team has introduced reusable plastic cups to help cut down our single use plastics across the venues.

# Financial Review

## Overview

2022/23 was always going to be our most challenging year from a financial perspective without the COVID-19 specific financial support we had received during the previous two years (mainly from the Government, Local Council and Arts Council) to get us through the pandemic and with audience confidence and habits still not fully recovered (particularly with Film). In addition, in line with other organisations UK wide, we faced the added challenges of the cost-of-living crisis, high inflation and soaring energy costs. Taking all this into consideration, our year end results are much better than we had expected.

Our original forecast for the year was for a trading deficit of £70K before any reserves movements. We finished the year with a smaller deficit of £37K so a £33K improvement. After reserve movements (which include moving our ticket levy income to our Restoration Levy Reserve) we finished with a deficit of £90K compared to an original forecast deficit of £159K - £69K better than expected. After moving £48K to a new reserve for a new website, the final deficit figure for the year was £138K.

As we move into 2023/24, we are confident that we can finally benefit from a full-strength team and use the momentum from the latter half of 2022/23 to move us forwards into a stronger financial position.

Thankfully, the reserves that we have built up in our first 3.5 years have allowed us to be resilient in the current challenging financial climate.

## Income and Expenditure

Our total unrestricted income for the year was £4,670K and our total unrestricted expenditure for the year was £4,707K (excluding LGPS in service costs and interest). After transferring £89K from specific designated funds, we ended up with an operating surplus of £52K. Moving the ticket levy income we received of £142K to the Restoration Levy Reserve and £48K to a new reserve for a new website, leads to a deficit of £138K which will be covered by the unrestricted free reserves brought forward from 2021/22 (£263K).

The Council service fee made up a lesser proportion of our operating income (31.4% compared to 38.7% in 2021/22) as audience confidence levels continued to return following the pandemic.

Despite the challenges of recruitment with skills shortages we managed to fill all job vacancies, finishing the year with a full complement of staff for the first time since March 2020. 2023/24 will be the first year since WTM spun off from Worthing Borough Council that we will benefit from a full complement of staff for the whole year.

## Restricted Funds

Restricted funds received and spent are not included in the above figures.

Restricted funding received included West Sussex County Council (WSSCC) funding for the Holiday Activities & Food Programme (HAF) at Christmas (£3.3K) and Easter (£2.9K). We received funding (£5K) towards the SpinOut programme from Worthing Borough Council (WBC) who also contributed £500 towards the Warm Spaces initiative. Our Creative Futures campaign generated £7.7K in restricted donations. We received grants for the Museum from the South East Museum Development Service (£3K). We received a further £750 from the Independent Cinema Office towards the London Film Festival. Finally, we continued to qualify for the Google Ads Grants programme (free Google ads for non-profit organisations) allowing us to benefit from £38K worth of free Google ads.

All the restricted fund opening balances and majority of amounts received throughout the 2022/23 year were spent during the 2022/23 year with £9.6K of funds carried over and expected to be spent in 2023/24.

## Cashflow

We continue to benefit from a healthy cashflow with £2.6million in the bank as at 31st March 2023. It is worth noting that significant amounts of this balance are made up of the advanced payment of our Council Service Fee (£719K for 6 months) and a healthy advanced ticket and customer account/unredeemed gift voucher balance (£507K). We paid back the CBILS (Coronavirus Business Interruption Loan Scheme) loan on 17th August 2022 (Balance was £238K as at 31st March 2022) as we could no longer justify the interest payments. (It was taken out as a precautionary measure to safeguard against further losses due to the pandemic).

## Government and Local Authority

The COVID-19 linked funding provided by the Government, Local Authority and Arts Council England (ACE) did not continue beyond 2021/22 but we still benefited from the following support from Worthing Borough Council in 2022/23:

- **Council Service Fee** - our contracted service fee from the council to deliver the services required under the SLA agreement between WTM and WBC.
- **Business Rates Charitable Relief** - As a charity, we automatically benefit from an 80% reduction of our Business Rates:
- **Discretionary Rates Relief** - we also qualified for further discretionary relief with WBC for some of our buildings equating to the following, in addition to the standard **80%** charitable relief:
  - Assembly Hall, Pavilion Theatre, Connaught Theatre & Studio - **15%** (**95%** relief in total)
  - Museum and South Chapel Store - **20%** (**100%** relief in total)

## Local Government Pension Scheme (LGPS) net liability

WTM operates a defined benefit pension scheme for staff transferred from the Council under the Transfer of Undertaking (Protection of Employment) (TUPE) regulations. WTM is an Admission Body and Worthing Borough Council is the scheme employer.

As part of WTM's Agreement with Worthing Borough Council (WBC) our employer contribution rate is capped at 17.9% for the duration of the Agreement and WBC funds any surplus contributions. The Fund has confirmed that the employer rate for the 3-year period April 2023 - March 2026 is 17.5%. The Council pays any excess over 17.9% employer contributions. WTM has included future contributions at this agreed capped rate in our business plan and forecasts from April 2027 onwards.

The Council Members agreed at Committee in December 2022 to amend the current pass-through agreement and for WBC to assume the exit risk. They also agreed to provide a guarantee for the duration of the Management Agreement. We are in the final stages of the new agreement which will be reflected in our report for 2023/24.

### III Health Retirement Insurance

Pension strains due to ill health retirements and early retirements through redundancy will remain a cost to WTM as detailed in the Council Management Agreement. WTM took out insurance for ill health retirement in October 2022 and are continuing with this cover. Until the end of March 2023, the Fund included an element in the employer rate to cover ill health retirement. October 2022 - March 2023 the Fund reduced WTM's employer contribution by 1.55% which equated to the ill health retirement contribution, which made the insurance cost neutral. However, from April 2023 the Fund no longer includes an element of ill health retirement in the employer percentage and therefore the insurance cost must be funded from WTM's revenue budget.

### People's Pension Scheme

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £12,407 (2021/22: £7,475). Contributions totalling £6,104 (2021/22: £5,147) were payable to the fund at the balance sheet date and are included in creditors.

### Reserves

For the sake of clarity, we are grouping our designated reserves into two new categories:

- **Committed Expenditure Reserve** includes designated reserves that have been committed or earmarked for specific spend. We also include the Restoration Levy fund here as it is earmarked for the upkeep and improvement of our business-critical equipment and furniture. The major change from 2022/23 is the increase of our Restoration Levy fund by the amount received in 2022/23 (£142K).
- **Key Risks & Uncommitted Expenditure Reserve** includes designated funds for more general risks and unforeseen circumstances. The only significant changes to these reserves in 2022/23 are the reduction of the Buildings Access Reserve (to cover buildings access improvements to the Connaught Studio electronic doors, a new accessible dressing room at the Connaught Theatre, new digital signage at the Assembly Hall and Pavilion Atrium bars and the refurbishment of a dressing room at the Pavilion Theatre in partnership with The Sand Project), and the introduction of a new reserve for a new website which we hope to complete by early 2024/24.

Our Unrestricted Free Reserves have been reduced to £125K at 31st March 2023 (by the 2022/23 deficit of £90K and £48K for a new website from £263K at 31st March 2022).

## WTM Accumulative Reserves Analysis

	31st March 2023	31st March 2022
<b>Unrestricted Free Reserves</b> A	<b>£ 125,064</b>	<b>£ 262,568</b>
<b>Designated Reserves for Key Risks &amp; Uncommitted Expenditure</b>		
Ticket Income Reserve	£ 115,000	£ 115,000
New Equipment	£ 74,800	£ 74,800
Maintenance	£ 50,000	£ 50,000
Insurance Claim Shortfall	£ 12,000	£ 12,000
HR Reserve	£ 12,000	£ 12,000
Pension Strain	£ 20,000	£ 20,000
Buildings Access Improvements	£ 28,413	£ 70,000
Essential Website Development & Data Cleansing	£ 48,000	£ -
<b>Sub-Total Designated Reserves for Key Risks &amp; Uncommitted Expenditure</b> B	<b>£ 360,213</b>	<b>£ 353,800</b>
<b>Sub-Total Risk Reserve (for Gain Share)</b> A+B	<b>£ 485,277</b>	<b>£ 616,368</b>
<b>Committed Expenditure + Restoration Levy Fund</b>		
Restoration Levy Fund	£ 344,641	£ 202,971
Reserve for Future Depreciation of Fixed Assets	£ 251,156	£ 267,089
Theatre Auditorium Seats	£ 177,714	£ 166,000
Museum Cases	£ 10,947	£ 13,200
Museum Lighting	£ 4,000	£ 4,000
Spin Out 2022	£ -	£ 22,710
We Are Here 2022	£ -	£ 13,450
Ringfenced Staff Costs	£ -	£ 785
<b>Sub-Total Committed Expenditure + Restoration Levy Reserves</b> C	<b>£ 788,458</b>	<b>£ 690,205</b>
<b>TOTAL Designated Reserves</b> D (B+C)	<b>£ 1,148,671</b>	<b>£ 1,044,005</b>
<b>Restricted Reserves</b>		
Royal Pavilion & Museums Trust	£ 2,412	£ 412
BFI Grants	£ -	£ 4,596
Kickstart Grant	£ -	£ 2,826
Creative Futures	£ 4,809	£ -
Holidays, Activities & Food programme (HAF)	£ 2,349	£ -
Restricted Museum Donations	£ 100	£ -
<b>TOTAL Restricted Reserves</b> E	<b>£ 9,670</b>	<b>£ 7,834</b>
<b>TOTAL Funds (before any LGPS Liability)</b> F (A+D+E)	<b>£ 1,283,405</b>	<b>£ 1,314,407</b>



The Reserve for the Future Depreciation of Fixed Assets of £251K will be used over 7 to 10 years, in line with the expected life span of the various fixed assets being depreciated.

The Restoration Levy Fund (£346K) is the total of all ticket levies received and is earmarked for business-critical equipment and furniture in the long-term future.

The Theatre Auditorium Seats Reserve (£178K) is for new seating for the Pavilion Theatre. We committed to these seats in March 2023 and expect them to be delivered and fitted in July 2023.

We have two small reserves for Museum Display Cases (£13K) and Lighting (£4K). We are awaiting the outcome of the major refurbishment of the Museum (Let the Light in Project) before we commit this expenditure.

The other designated reserves totalling £360K are not earmarked for immediate use, but we feel it is prudent to build these up to cover the eventual inevitable replacement of furniture & equipment and unforeseen circumstances. They include the Ticket Income Reserve (£115K) which is to offset significant failure of ticket income, the financial impact of cancellation of productions or increased costs. Combining these with our accumulated free reserves of £125K leads to a total of £486K, which is a significant amount towards our uncommitted reserves target of £750K but still leaves a remaining target of £264K for us to aim to build up at every opportunity in the coming years. We will also be reviewing the £750K target to take into account inflation and other increases in running costs.

### **Gain Share Agreement**

We have a gain share agreement with Worthing Borough Council (WBC) whereby our annual service fee is reduced in the next service fee instalment payment by their share of any trading surplus (as defined in the agreement with WBC dated 19th September 2019). The basis of calculation of the values of the attributed value of the gain share is set out in schedule 18 of the agreement. All gains are retained by WTM until a "Risk Reserve" of £750K has been built up. Risk Reserves are made up of unrestricted free reserves together with reserves for Designated Key Risks & Uncommitted Expenditure.

### **Going Concern**

The Trustees have considered the continued impact of the economic crisis on the current pressures of inflation both in terms of audience confidence, disposable income, and the impact on operating costs for WTM on their assessment of going concern. After making appropriate enquiries, the Trustees have a reasonable expectation that WTM has adequate resources to continue in operational existence for the foreseeable future (which is considered to be a period of at least twelve months from the date of approving these financial statements). For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

A continued healthy long term cashflow forecast and the ongoing support of Worthing Borough Council are both major factors in securing our long-term financial stability. WTM is committed to securing further financial stability by maximising existing and new income streams such as fundraising from individual giving, corporate partnerships and trusts and foundations, by further streamlining operations, seeking best value to minimise expenditure, and reinforcing reserves at every opportunity.

In light of the recent significant increases in running costs (due to inflation, energy costs and cost of living increases) we will be reviewing the level of reserves we aim to have to ensure financial stability.

## **Principal Risks and Uncertainties**

WTM has a detailed Risk Register in place to monitor the ongoing and potential risks to the organisation. The key areas of risk are:

### **Audience Levels and Cost of Living Crisis**

Although we are seeing a return in audience confidence following the pandemic, the current cost of living crisis presents a major risk of reduced audience numbers. There have also been on-going shifts in audience behavioural patterns especially with regards to cinema audiences where streaming services such as Netflix have impacted the demand for cinema.

### **Reputation**

The ever increasing use of social media exposes organisations, including arts and theatres to significant risks of damage to reputations. Mitigation needs to be constantly reviewed, with clear key processes in place to ensure we are in control of our participation in social media platforms.

### **Reduction of Council Service Payment**

WTM currently has a five-year five-month financial agreement with WBC (Nov 2019 - March 2025). The Charity is submitting a Business Plan to cover the next five-year financial period (April 2025 - March 2030) along with its five-year service payment request. A key risk is a non-inflationary increase or reduction in the Council Service Payment from our key stakeholder.

### **Information Technology**

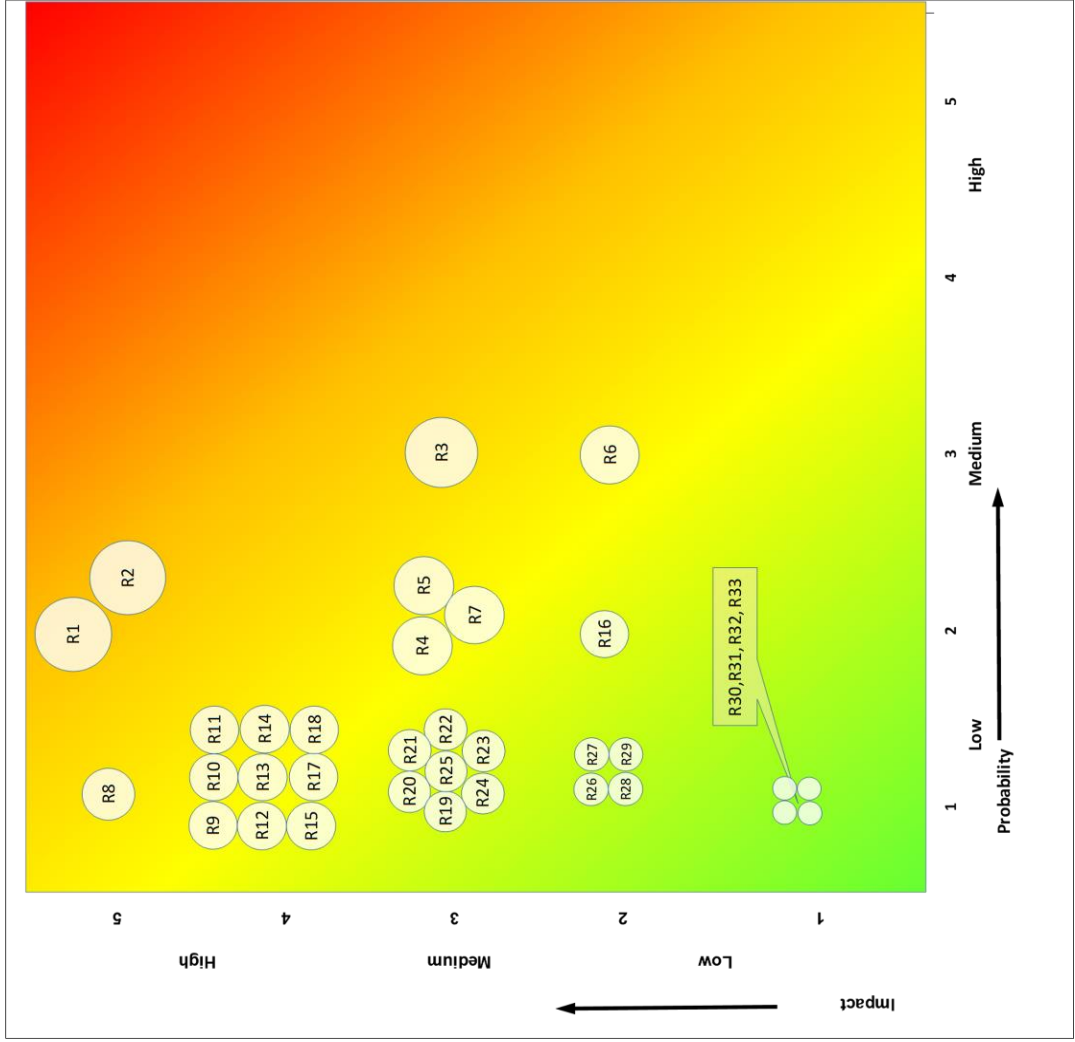
Although WTM has a robust IT infrastructure, largely provided through the SLA with WBC, we need to ensure we are constantly reviewing this risk and updating our disaster recovery procedures and online security.

### **Reduction of Council Capital Funding**

Although WTM has confirmed existing projects in the Council's capital programme, there is a risk if further requested Council funding for key capital projects are not approved.

# Worthing Theatres & Museum Risk Register Summary

Risk Ref	Original Risk		Mitigated / Managed Risk		Description
	Impact	Probability	Risk	Risk	
R1	5	3	10	10	Reduction of Council Service Fee
R2	5	3	10	10	Information technology
R3	4	3	12	9	Reduction of Council Capital Project Funding
R4	4	4	16	6	Volatility of Energy / Utilities markets
R5	3	3	9	6	Fundraising
R6	3	4	12	6	Cost of Living Crisis
R7	3	3	9	6	Impact of reactive/unplanned Capital Works on business continuity
R8	5	2	10	5	Disaster Recovery and Planning
R9	5	3	15	4	Local Government Pension Scheme (LGPS) (Guarantee / Exit Debt)
R10	4	2	8	4	Lack of direction, strategy and forward planning
R11	4	2	8	4	Trustee body lacks relevant skills or commitment
R12	4	2	8	4	Conflicts of interest
R13	5	2	10	4	Health, Safety and Environment
R14	4	2	8	4	Employment Issues
R15	4	2	8	4	Volunteers (FCH)
R16	3	2	6	4	Reputational (customer satisfaction)
R17	4	2	8	4	Budgetary control and Financial reporting
R18	4	2	8	4	Cashflow Sensitivities
R19	4	2	8	3	High Staff Turnover
R20	5	1	5	3	Pandemic eg Coronavirus (COVID-19)
R21	3	3	9	3	Impact of planned Capital Works on business continuity
R22	3	2	6	3	Capacity and use of resources including tangible fixed assets
R23	3	3	9	3	Inappropriate or loss-making non-charitable Trading activities
R24	4	2	8	3	Compliance with legislation and regulations
R25	5	1	5	3	Loss of money due to a bank collapsing
R26	2	2	4	2	Reputational (public perception / adverse publicity)
R27	5	1	5	2	Cyber Crime
R28	5	1	5	2	Public Safety for all Venues (Martyr's Law)
R29	4	2	8	2	Succession Planning / Key Staff Continuity
R30	5	3	15	1	Local Government Pension Scheme (LGPS) (Early retirement due to ill health)
R31	4	1	4	1	GDPR
R32	3	1	3	1	Safeguarding
R33	4	1	4	1	Reputational damage due to staff misconduct



## **Structure, Governance and Management**

### **Constitution**

Worthing Theatres & Museum became a Charitable Incorporated Organisation (CIO) (CE018745) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.

### **Board of Trustees and Executive Management Team**

The Executive Management team are guided and supported by an experienced Board of Trustees who are experts in theatre, museums, business, finance, hospitality, regeneration, legal, HR, PR / marketing and equality and diversity. In 2022/23 two Trustees resigned, two new Trustees were appointed in May 2023 and one new Trustee was appointed in June 2023. One Trustee resigned in June 2023.

At the start of 2022/23 the Trustees began work on diversifying our governance in terms of age, culture, and disability, actively seeking Trustees from more diverse cultural and socio-economic backgrounds. Towards the end of the year the Trustees prioritised working on the skills of the Board in order to increase Board engagement and effectiveness for this young charity, carrying out a recruitment drive to strengthen the Board. In May 2023 the Trustees unanimously approved a resolution to change the maximum number of Trustees from 12 to 16 in order to further increase Board engagement and to provide flexibility to cover any short-term absence.

In 2023/24 the Board will work on recruiting a local youth board member who is between 18 and 30 years old.

### **Organisational Structure and Decision Making**

The Executive Team reports to the Board of Trustees five times a year including full financial reporting, overview of programming and projects and the risk register. Senior Managers provide presentations as and when required. The Executive Team works with the Board of Trustees to establish key performance indicators for all aspects of the charity's activities which are monitored and reviewed regularly throughout the year. Progress and actions taken are communicated at each Board meeting through written and verbal reports and through formal reporting to Worthing Borough Council. There is also an annual away-day attended by Trustees, Executive Team, and Senior Management Team. Each year we publish an Annual Report that contains key information about the charity's performance.

The Board met 5 times in 2022/23 and the annual Away Day took place in May.

The Trustees have delegated some of their powers and functions to committees and have determined the terms and conditions on which the delegation is made.

### **Methods of Appointment of Trustees and Terms of Office**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the CIO constitution. The CIO must have at least three charity Trustees and the maximum number was twelve, but the Trustees passed a resolution in May 2023 to increase the maximum number to 16 in order to increase Board engagement and to cover short term absence. The process of recommending the appointment of Trustees to the Board is carried out by the Nominations Committee and the Board reviews and assesses the skills, knowledge and experience of the recommended candidates needed for the effective administration of the charity. The Board will do all

in its reasonable power to appoint and retain (for designated terms) Trustees of the highest calibre. Trustees are expected to attend a high percentage of Board and Committee meetings.

Every appointed Trustee is appointed for a term of three years, and they may offer themselves for re-election for a second and third three-year term. A Trustee who has served for three consecutive terms may not be reappointed for a fourth consecutive term but may be reappointed after an interval of at least one year.

## **Committees**

Committees have Terms of Reference. WTM has five committees, which report regularly to the Board. The Trustees create temporary Action Groups when required.

### **Finance and Audit Committee**

The Finance and Audit Committee is responsible for financial management, audit, internal control, and risk management. The Committee met six times in 2022/23.

### **Nominations Committee**

The Nominations Committee considers and makes representations to the Board on its composition and balance and identifies, reviews, and makes recommendations for potential appointments.

The Nominations Committee also has responsibility for recommending to the Board Director appointments for the Trading Subsidiary.

### **Remuneration Committee**

The Remuneration Committee determines and agrees with the Board the framework or broad policy for the remuneration of the Executive Team and the Senior Management Team working within the TUPE and WTM Pay and Reward Policy, which includes pay and grading posts using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The Committee may benchmark salaries against similar organisations. The Committee acting responsibly has the authority to appoint remuneration consultants and to purchase or commission any reports which it deems necessary within any budgetary restraints imposed by the Board.

### **Capital Projects Committee**

WTM aspires to complete a series of capital projects to enhance its cultural offering and to meet the Objects of the Constitution. The Capital Projects Committee has the responsibility of overseeing the development of the capital projects, subject to limitations which remain decisions for the Board, and where relevant in partnership with Worthing Borough Council. On the two larger scale Museum and Connaught redevelopment capital projects relating to the Council properties the Committee will form a partnership with WBC capital projects teams.

### **Fundraising Campaign Committee**

The Fundraising Campaign Committee is responsible for the ongoing fundraising strategy for revenue, special projects, events, and capital projects. As WTM had only operated as a charity for five months (following spin out from the Council) when the pandemic started, the organisation does not have much of a fundraising track record. Therefore, the Committee this year started to work with the wider Board

of Trustees to help maximise on opportunities to develop the fundraising strategy.

## **Policies Adopted for the Induction and Training of Trustees**

New Trustees undergo an induction to brief them on their legal obligations. They receive a copy of the Constitution and the CIO's latest Trustees' Annual Report and Statement of Accounts as well as background and Charity Commission guidance on public benefit, committee and decision-making processes, the business plan and information on recent financial performance.

## **Risk Management**

The charity has a formal risk management process through which the Executive Team and Senior Management Team identifies the major risks to which the organisation may be exposed. These risks are categorised and ranked by their likelihood and impact, culminating in a risk register which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

## **Non-charitable Trading**

The Charity has a wholly owned trading subsidiary company which was activated during the 2021/22 financial year to carry out activities which do not directly further the CIO's charitable purposes, but which will raise funds for the CIO (including Bars/Kiosks/Venue Hire and Retail).

The Trading Subsidiary (Worthing Theatres & Museum (Trading) Limited) has its own Board of Directors comprising of Charity Board Trustees and separate independent Directors. The Trading Subsidiary accounts form part of the consolidated figures.

## **Our Team's Equality, Diversity and Inclusion**

WTM values diversity and promotes unity providing an environment where differences and what we have in common are celebrated. We are committed to developing our inclusivity to ensure all voices are heard and represented in our workforce. We believe that diversity makes us stronger and actively work to attract applicants from underrepresented groups. We hold ourselves accountable by being a Disability Confident Committed employer, and working to further develop our support for this aspect of the workforce. We will be developing Mental Health support and awareness for staff including: training, more mental health first aiders, a policy and the Mind Mental Health at Work Commitment.

## **Our Charity and Trading Subsidiary Boards**

WTM currently has 11 Trustees on the Charity Board, two of whom also serve on the Trading Subsidiary Board and one Director who is independent of the Charity.

**Strengths:** WTM is proud to have a board where 50% identify as female, a wide variety of socio-economic backgrounds and we are also pleased to see further diversity in ethnicity, disability and neurodiversity.

**Challenges:** There is representation amongst all age groups except for those under 30 and WTM plans to address this challenge in the future by recruiting a Youth Trustee to better represent the interests of younger people.

## **Our Staff**

WTM currently has (at May 2023), 122 staff, around 45% of which are casual.

Similar to the Board the staff team identifies as about 50% female, a fairly equal spread in age with a much stronger representation in the 18-30 bracket. We can also see developing representation amongst staff in regard to disability and neurodiversity.

## **Our Volunteers**

### **Developing diversity through Volunteering -**

Out of 60 volunteers WTM currently engages there were 41 respondents included in the data, WTM uses Volunteers in a variety of roles, some of which are regular and others on an ad hoc basis. The roles include: Customer Experience Volunteers both at the Theatres and Cinema and at the Museum, Distribution and Engagement Volunteers, Curatorial and Conservation Volunteers and from Summer 2023 we can proudly add our 100% Project participants to the list. We have a valued and loyal volunteer base that is primarily weighted towards those aged over 66 with a large percentage of these being women. We hope that the 100% Project will open a pathway for a more diverse range of volunteers to join WTM and reap the benefits of volunteering in the arts sector.

## Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP (FRS 102).
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Disclosure of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Auditors

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 27 July 2023 and signed on their behalf by:

*scott marshall*

.....  
**Scott Marshall**

Acting Chair

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORTHING THEATRES AND MUSEUM

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### Opinion

We have audited the financial statements of Worthing Theatres and Museum for the year ended 31<sup>st</sup> March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the charity balance sheet, the Consolidated Statement of Cash Flows 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 group's and of the parent charity's affairs as at 31<sup>st</sup> March 2023 and of the group's net movement in funds for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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 Trustees' Annual Report, the Chair's statement, and the Executive Team Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to Report by Exception**

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

- adequate accounting records have not been kept by the parent] charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the Financial Statements**

As explained more fully in the Trustees' responsibilities statement set out on page 25 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to year end cut off and journal postings. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management’s controls designed to prevent and detect irregularities; Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

A further description of our responsibilities 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 auditor’s report.

### Use of Our Report

This report is made solely to the charity’s Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity’s Trustees those matters we are required to state to them in an Auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity’s Trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Richard Weaver (Senior Statutory Auditor)**  
**for and on behalf of Haysmacintyre LLP, Statutory Auditor**

**10 Queen Street Place**  
**London**  
**EC4R 1AG**

**Date:** 2 August 2023 .....

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

**WORTHING THEATRES AND MUSEUM**  
**SUMMARY INCOME & EXPENDITURE REPORT**  
**NOT FORMING PART OF THE STATUTORY ACCOUNTS**  
**for the year ended 31st March 2023**

	<b>2023</b>	<b>2022</b>
	£	£
<b>Income from:</b>		
Donations and legacies	87,749	734,337
Charitable activities	3,917,889	3,021,588
Other trading activities	696,733	588,460
Investments	26,172	1,940
<b>Total income</b>	<b>4,728,543</b>	<b>4,346,325</b>
<b>Less: expenditure on</b>		
Raising funds	847,520	1,163,155
Charitable activities	4,095,024	2,620,707
<b>Total expenditure</b>	<b>4,942,544</b>	<b>3,783,862</b>
Less:		
Other non-operating items	-	(211)
Movement on restricted funds	(1,836)	(1,819)
Arts Council funding to reflate reserves	-	131,181
Transfer to/(from) designated funds	(100,451)	416,473
<b>Operating surplus / (loss)</b>	<b>(111,716)</b>	<b>16,839</b>
<b>Adjustment for Local Government Pension Scheme (LGPS) valuation</b>		
Actuarial gains/(losses)	1,211,000	80,000
In year costs	(183,000)	(219,000)
<b>Total adjustment for Local Government Pension Scheme (LGPS) valuation</b>	<b>1,028,000</b>	<b>(139,000)</b>
Add back:		
Other non-operating items	-	(211)
Movement on restricted funds	(1,836)	(1,819)
Arts Council funding to reflate reserves	-	131,181
Transfer to/ (from) designated funds	(100,451)	416,473
<b>Net movement in funds</b>	<b>813,999</b>	<b>423,463</b>

WORTHING THEATRES AND MUSEUM

**GROUP STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating the Group Income and Expenditure Account and**  
**Statement of Total Recognised Gains and Losses)**  
**for the year ended 31<sup>st</sup> March 2023**

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022* £
<b>Income from</b>					
Donations and grants	3	29,191	58,557	87,748	734,337
Charitable activities	4	3,917,889	-	3,917,889	3,021,588
Trading activities	5	696,733	-	696,733	588,460
Investments	6	26,172	-	26,172	1,940
<b>Total income</b>		<b>4,669,985</b>	<b>58,557</b>	<b>4,728,542</b>	<b>4,346,325</b>
<b>Expenditure on</b>					
Raising funds	7	847,520	-	847,520	1,164,872
Charitable activities	8	4,038,303	56,721	4,095,024	2,837,990
<b>Total expenditure</b>		<b>4,885,823</b>	<b>56,721</b>	<b>4,942,544</b>	<b>4,002,862</b>
<b>Net income</b>		<b>(215,838)</b>	<b>1,836</b>	<b>(214,002)</b>	<b>343,463</b>
Transfers between funds		-	-	-	-
Actuarial (losses)/gains on defined benefit pension schemes		1,028,000	-	1,028,000	80,000
<b>Net movement in funds</b>		<b>812,162</b>	<b>1,836</b>	<b>813,999</b>	<b>423,463</b>
<b>TOTAL FUNDS AT 1 APRIL 2022</b>	20	<b>461,573</b>	<b>7,834</b>	<b>469,407</b>	<b>45,944</b>
<b>TOTAL FUNDS AT 31 MARCH 2023</b>	20	<b>1,273,735</b>	<b>9,670</b>	<b>1,283,406</b>	<b>469,407</b>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

\*A breakdown of these comparative figures is shown on page 61.

The notes on pages 39 to 59 form part of these financial statements.

WORTHING THEATRES AND MUSEUM

Charity Registered Number 1185189

GROUP BALANCE SHEET  
at 31st March 2023

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	14	251,155	267,089
<b>CURRENT ASSETS</b>			
Stock	15	37,512	36,217
Debtors	16	232,578	174,298
Cash at bank and in hand		2,638,868	3,201,741
		2,908,958	3,412,256
CREDITORS: Amounts falling due within one year	17	(1,876,707)	(2,177,438)
		1,032,251	1,234,818
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year	18	-	(187,500)
		1,283,406	1,314,407
<b>NET ASSETS excluding pension liability</b>			
Defined benefit pension scheme liability		-	(845,000)
		1,283,406	469,407
<b>ACCUMULATED FUNDS</b>			
<b>Restricted funds</b>	19	9,670	7,834
<b>Unrestricted funds</b>			
General funds	19	125,065	262,568
Designated funds	19	1,148,670	1,044,005
Pension reserve		-	(845,000)
		1,283,406	469,407
<b>TOTAL FUNDS</b>			
		1,283,406	469,407

The financial statements were approved by the board of Trustees on 27 July 2023 and signed on its behalf by

*scott marshall*

..... Scott Marshall (Acting Chair)

WORTHING THEATRES AND MUSEUM

*Charity Registered Number 1185189*  
**CHARITY BALANCE SHEET**  
 at 31<sup>st</sup> March 2023

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	14	251,155	267,089
<b>CURRENT ASSETS</b>			
Stock	15	-	-
Debtors	16	217,258	247,887
Cash at bank and in hand		2,581,458	3,050,244
		<hr/>	<hr/>
		2,798,716	3,298,131
CREDITORS: Amounts falling due within one year	17	(1,766,465)	(2,063,312)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		1,032,251	1,234,819
CREDITORS: Amounts falling after more than one year	18	-	(187,500)
		<hr/>	<hr/>
<b>NET ASSETS excluding pension liability</b>		1,283,406	1,314,408
Defined benefit pension scheme liability		-	(845,000)
		<hr/>	<hr/>
		1,283,406	469,408
		<hr/>	<hr/>
<b>ACCUMULATED FUNDS</b>			
<b>Restricted funds</b>	19	9,670	7,834
<b>Unrestricted funds</b>			
General funds	19	125,065	262,569
Designated funds	19	1,148,670	1,044,005
Pension reserve			(845,000)
		<hr/>	<hr/>
<b>TOTAL FUNDS</b>		1,283,406	469,408
		<hr/>	<hr/>

The financial statements were approved by the board of Trustees on 27 July 2023 and signed on its behalf by:

*scott marshall*  
 ..... **Scott Marshall (Acting Chair)**

**WORTHING THEATRES AND MUSEUM**

The notes on pages 39 to 59 form part of these financial statements.

**GROUP STATEMENT OF CASH FLOWS**  
for the year ended 31<sup>st</sup> March 2023

	Note	2023 £	2022 £
<b>Net cash provided by/ (used in) operating activities</b>	A	(525,512)	482,429
<b>Cash flows from investing activities:</b>			
Interest from investments		(26,172)	(1,940)
Purchase of tangible fixed assets		(23,149)	(100,090)
		11,960	
<b>Net cash provided by/ (used in) investing activities</b>		(37,361)	(102,030)
<b>New borrowings</b>		-	-
Change in cash and cash equivalents in the reporting period		(562,873)	380,399
Cash and cash equivalents at the beginning of the year		3,201,741	2,821,342
<b>Cash and cash equivalents</b>		2,638,868	3,201,741

**A: Reconciliation of net movement in funds to net cash flow from operating activities**

	2023 £	2022 £
Net income / (expenditure)	813,999	423,463
Depreciation charges	27,123	24,109
Interest from investments	26,172	1,940
Increase in Stock	(1,295)	(19,059)
(Increase) / Decrease in debtors	(58,280)	16,945
Decrease in creditors	(488,231)	(103,969)
(Decrease) / Increase in LGPS liability	(845,000)	139,000
<b>Net cash used in operating activities</b>	(525,512)	482,429

**B. Analysis of changes in net debt**

	At 31 March 2022 £	Cash flows £	At 31 March 2023 £
Cash	3,201,741	(562,873)	2,638,868

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2023**

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**1. GENERAL INFORMATION**

Worthing Theatres and Museum is a Charitable Incorporated Organisation. The registered principal office is Connaught Theatre, Union Place, Worthing, BN11 1LG. Consolidated accounts have not been produced as its wholly owned subsidiary, Worthing Theatres and Museum (Trading) Limited is dormant.

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements 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<sup>st</sup> January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1<sup>st</sup> April 2005 which has since been withdrawn.

Worthing Theatres and Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The financial statements have been prepared on a going concern basis. The trustees recognise that there are many uncertainties due to COVID-19 which will affect the Charity.

The trustees have considered the level of funds held, the expected level of income and expenditure and the cashflow for 12 months following the authorising of these financial statements and believe the charity is able to continue as a going concern.

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> March 2023**

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shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

## **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> March 2023**

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Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Government grants**

Government grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings and equipment: 7 - 10 years

**2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> March 2023**

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deposit or similar account.

**2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 Pensions**

The Charity operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. The Charity also operates a defined benefit pension scheme, and the pension charge is based on a full actuarial valuation of the year end liability.

**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

## **2.15 Critical accounting estimates and areas of judgement**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates and assumptions: The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2023

3. INCOME FROM DONATIONS AND GRANTS

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Donations	29,192	-	29,192	25,104	-	25,104
Grant Income	-	58,557	58,557	131,081	262,234	393,315
Government Grants	-	-	-	315,918	-	315,918
	<u>29,192</u>	<u>58,557</u>	<u>87,749</u>	<u>472,103</u>	<u>262,364</u>	<u>734,337</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Theatres <sup>2</sup>	2,427,259	1,525,874
Museum <sup>3</sup>	24,340	17,814
Service Fee	1,466,290	1,477,900
	<u>3,917,889</u>	<u>3,021,588</u>

All income from charitable activities in 2023 and 2022 was unrestricted.

5. TRADING INCOME

	2023 £	2022 £
Venue Hire and Rental	186,338	154,471
Retail	29,097	15,870
Bars and Catering	474,716	283,511
Other	6,582	134,608
	<u>696,733</u>	<u>588,460</u>

All trading income in 2023 and 2022 was unrestricted.

<sup>2</sup> Please note that in previous Financial Statements "Theatres" was split between Live Events and Film

<sup>3</sup> Please note that in previous Financial Statements "Museum" was split between Museum and Education

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2023

6. INVESTMENT INCOME

	2023	2022
	£	£
Interest receivable	26,172	1,940
	<u>26,172</u>	<u>1,940</u>
	<u><u>26,172</u></u>	<u><u>1,940</u></u>

All investment income in 2023 and 2022 was unrestricted.

7. EXPENDITURE ON RAISING FUNDS

	Fundraising Costs	Other Expenditure on Raising funds	2023	2022
	£	£	£	£
Direct costs	1,818	184,051	185,869	127,582
Staff costs	65,938	230,106	296,044	165,086
LGPS Pension Finance costs	6,264	13,740	20,004	1,717
Support costs	15,360	330,243	345,603	870,487
	<u>89,380</u>	<u>758,140</u>	<u>847,520</u>	<u>1,164,872</u>
	<u><u>89,380</u></u>	<u><u>758,140</u></u>	<u><u>847,520</u></u>	<u><u>1,164,872</u></u>

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	2023	2022
	£	£	£	£
Theatres <sup>4</sup>	2,621,830	844,808	3,466,638	2,424,113
Museum <sup>5</sup>	282,783	345,603	628,386	413,877
	<u>2,904,613</u>	<u>1,190,411</u>	<u>4,095,024</u>	<u>2,837,990</u>
	<u><u>2,904,613</u></u>	<u><u>1,190,411</u></u>	<u><u>4,095,024</u></u>	<u><u>2,837,990</u></u>

	Direct costs	Support costs	2022
	£	£	£
Theatres	1,205,431	1,218,682	2,424,113
Museum	212,290	201,587	413,877
	<u>1,417,721</u>	<u>1,420,269</u>	<u>2,837,990</u>
	<u><u>1,417,721</u></u>	<u><u>1,420,269</u></u>	<u><u>2,837,990</u></u>

<sup>4</sup> Please note that in previous Financial Statements "Theatres" was split between Live Events and Film

<sup>5</sup> Please note that in previous Financial Statements "Museum" was split between Museum and Education

**WORTHING THEATRES AND MUSEUM**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> March 2023**

**9. ANALYSIS OF DIRECT COSTS**

	<b>Theatres<sup>6</sup></b>	<b>Museum<sup>7</sup></b>	<b>2023</b>	<b>2022</b>
	£	£	£	£
LGPS Pension Finance costs	54,967	20,898	75,865	50,359
Staff costs	842,914	168,515	1,011,429	393,709
Equipment	34,260	2,324	36,584	2,080
Insurance	32,780	22,336	55,116	17,778
IT	4,981	-	4,981	1,977
Premises costs	226,919	51,747	278,666	722
Professional fees	-	-	-	20
Marketing	-	-	-	-
Other	57,508	11,348	68,856	63,465
Rates	-	-	-	3,850
Repairs and Maintenance	99,540	4,394	103,934	6,895
Artist fees	1,062,334	-	1,062,334	761,706
Production costs	12,580	1,221	13,801	26,083
Film Rental	193,047	-	193,047	89,077
	<u>2,621,830</u>	<u>282,783</u>	<u>2,904,613</u>	<u>1,417,721</u>
	<u><u>2,621,830</u></u>	<u><u>282,783</u></u>	<u><u>2,904,613</u></u>	<u><u>1,417,721</u></u>

	<b>Theatres<sup>5</sup></b>	<b>Museum<sup>6</sup></b>	<b>2022</b>
	£	£	£
LGPS Pension Finance costs	25,796	24,563	50,359
Staff costs	252,244	141,465	393,709
Equipment	-	2,080	2,080
Insurance	-	17,778	17,778
IT	-	1,977	1,977
Premises costs	-	722	722
Professional fees	-	20	20
Marketing	-	-	-
Other	50,525	12,940	63,465
Rates	-	3,850	3,850
Repairs and Maintenance	-	6,895	6,895
Artist fees	761,706	-	761,706
Production costs	26,083	-	26,083
Film Rental	89,077	-	89,077
	<u>1,205,431</u>	<u>212,290</u>	<u>1,417,721</u>
	<u><u>1,205,431</u></u>	<u><u>212,290</u></u>	<u><u>1,417,721</u></u>

<sup>6</sup> Please note that in previous Financial Statements "Theatres" was split between Live Events and Film

<sup>7</sup> Please note that in previous Financial Statements "Museum" was split between Museum and Education

**WORTHING THEATRES AND MUSEUM**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2023

**10. ANALYSIS OF SUPPORT COSTS**

	<b>2023</b>	<b>2022</b>
Support costs consist of the following:	£	£
Bank charges	45,628	30,755
Equipment	15,651	58,394
Insurance	51,196	329
IT	113,270	142,069
Premises costs	8,393	185,662
Professional fees	71,587	71,626
Marketing	210,575	154,093
Other	127,755	261,045
Printing, Postage and Stationery	4,928	4,643
Rates	-	11,153
Repairs and Maintenance	4,521	79,285
Training	18,295	20,969
Travel	1,786	3,084
Other Staff costs	7,770	7,394
Governance costs	33,150	27,492
Depreciation	27,124	24,109
Wages	794,385	1,208,654
	<u>1,536,014</u>	<u>2,290,756</u>
	<u>1,536,014</u>	<u>2,290,756</u>

**11. NET MOVEMENT IN FUNDS**

	<b>2023</b>	<b>2022</b>
This is stated after charging:	£	£
Auditors' remuneration: audit	25,000	21,500
Auditors' remuneration: non-audit fees	8,150	4,250
Depreciation of owned fixed assets	27,124	24,109
	<u>50,274</u>	<u>49,859</u>
	<u>50,274</u>	<u>49,859</u>

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2023

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,754,834	1,387,105
Social security costs	140,538	92,394
Other pension costs	206,486	340,026
	<u>2,101,858</u>	<u>1,819,525</u>

	2023	2022
	Number	Number
The average monthly number of employees (headcount) during the period was as follows:		
Senior Managers	8	6
Other Staff	54	45
Casual Staff	61	28
	<u>123</u>	<u>79</u>

No remuneration was paid during the period to any member of the Board of Trustees (2022: £Nil).

One Trustee was reimbursed travel expenses totalling £32.40 during the year (2022: £66.60).

One employee received remuneration in the band £60,000 - £69,999 during the year (2022: 1)

One employee received remuneration in the band £80,000 - £89,999 during the year (2022: 0)

Included in the above is expenditure on redundancy and termination payments of £- (2022: £4,444)

	2023	2022
	£	£
Total remuneration of key management personnel	<u>494,988</u>	<u>427,833</u>

**WORTHING THEATRES AND MUSEUM**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2023**

**13. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY**

Subsidiary name	Worthing Theatres & Museum (Trading) Limited		
Company registration number	12296105		
Basis of control	Ordinary shares		
Equity shareholding %	100%		
		<b>2023</b>	<b>2022</b>
		£	£
Turnover		697,190	391,698
Expenditure		(697,190)	(391,699)
		<u>-</u>	<u>1</u>
Profit on ordinary activities after taxation		<u>-</u>	<u>1</u>
Total assets as at 31 <sup>st</sup> March 2023		-	213,431
Total liabilities as at 31 <sup>st</sup> March 2023		-	(213,432)
Capital and reserves		<u>-</u>	<u>1</u>

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2023

14. TANGIBLE FIXED ASSETS  
*Group and Charity*

	Fixtures and fittings £	Total £
<b>Cost:</b>		
At 1 April 2022	291,605	291,605
Additions	23,149	23,149
Disposals	(11,960)	(11,960)
	<hr/>	<hr/>
At 31 March 2023	302,794	302,794
	<hr/>	<hr/>
<b>Depreciation:</b>		
At 1 April 2022	24,516	24,516
Provided during the year	27,123	27,123
	<hr/>	<hr/>
At 31 March 2023	51,639	51,639
	<hr/>	<hr/>
<b>Net book value:</b>		
At 31 March 2023	251,155	251,155
	<hr/>	<hr/>
At 1 April 2022	267,089	267,089
	<hr/>	<hr/>

15. Stock

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Catering Stock	37,512	36,217	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	37,512	36,217	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2023

16. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade Debtors	31,117	18,292	14,978	-
Other Debtors	14,442	40,402	9,300	37,423
Prepayments	140,489	38,362	140,489	38,362
Accrued Income	46,530	77,242	37,128	72,796
Intercompany	-	-	15,363	99,306
	<u>232,578</u>	<u>174,298</u>	<u>217,258</u>	<u>247,887</u>

17. CREDITORS: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade Creditors	128,334	329,014	69,355	281,129
Loan 1yr	-	50,000	-	50,000
Other tax and social security	122,523	96,829	105,274	80,281
Other Creditors	100,071	153,602	99,696	119,159
Accruals	286,689	211,629	264,830	211,629
Deferred income	1,239,090	1,336,364	1,227,310	1,321,114
	<u>1,876,707</u>	<u>2,177,438</u>	<u>1,766,465</u>	<u>2,063,312</u>

	2023	2022	2023	2022
	£	£	£	£
Deferred income at 1 April 2022	1,336,364	1,319,211	1,321,114	1,319,211
Resources deferred during the year	1,232,000	1,336,364	1,220,220	(1,336,364)
Amounts released from previous periods	(1,329,274)	(1,319,211)	(1,314,024)	1,319,211
	<u>1,239,090</u>	<u>1,336,364</u>	<u>1,227,310</u>	<u>1,321,114</u>

Deferred income is made up of Advance Ticket income, prepaid elements of the Council Service Fee, Gift Vouchers, Prepaid Venue Hire, deferred Grants and Prepaid Friends Membership.

Advance Ticket income includes all ticket income received for shows after the 31<sup>st</sup> March 2023 and no adjustment has been made for refunds, cancellations or postponement of shows made after this date.

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2023

18. CREDITORS: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
CBILS Loan	-	187,500	-	187,500
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Included within the above are amounts falling due as follows:

Between one and two years	-	50,000	-	50,000
Between two and five years	-	137,500	-	137,500
Between two and five years	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	187,500	-	187,500
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2023 £	Designated funds 2023 £	Pension funds 2,023 £	Restricted fund 2023 £	Total 2023 £
<b>Group</b>					
Fixed assets	-	251,155	-	-	251,155
Current assets	2,001,773	897,515	-	9,670	2,908,958
Current liabilities	(1,876,707)	-	-	-	(1,876,707)
Non-current liabilities	-	-	-	-	-
Pension liability	-	-	-	-	-
	<u>125,066</u>	<u>1,148,670</u>	<u>-</u>	<u>9,670</u>	<u>1,283,406</u>
<b>Charity</b>					
Fixed assets	-	251,155	-	-	251,155
Current assets	1,891,531	897,515	-	9,670	2,798,716
Current liabilities	(1,766,465)	-	-	-	(1,766,465)
Non-current liabilities	-	-	-	-	-
Pension liability	-	-	-	-	-
	<u>125,066</u>	<u>1,148,670</u>	<u>-</u>	<u>9,670</u>	<u>1,283,406</u>
	<u><u>125,066</u></u>	<u><u>1,148,670</u></u>	<u><u>-</u></u>	<u><u>9,670</u></u>	<u><u>1,283,406</u></u>
	<b>Unrestricted funds 2022 £</b>	<b>Designated funds 2022 £</b>	<b>Pension funds 2,022 £</b>	<b>Restricted fund 2022 £</b>	<b>Total 2022 £</b>
<b>Charity</b>					
Fixed assets	-	267,089	-	-	267,089
Current assets	2,513,381	776,916	-	7,834	3,298,131
Current liabilities	(2,063,312)	-	-	-	(2,063,312)
Non-current liabilities	(187,500)	-	-	-	(187,500)
Pension liability	-	-	(845,000)	-	(845,000)
	<u>262,569</u>	<u>1,044,005</u>	<u>(845,000)</u>	<u>7,834</u>	<u>469,408</u>
	<u><u>262,569</u></u>	<u><u>1,044,005</u></u>	<u><u>(845,000)</u></u>	<u><u>7,834</u></u>	<u><u>469,408</u></u>

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2023

20. STATEMENT OF FUNDS

Group	At 1 April 2022 £	Income £	Expenditure £	Transfers, Gains and Losses £	At 31 March 2023 £
<b>Restricted funds</b>					
Restricted Museum Donations	-	100	-	-	100
British Film Institute Grants	4,596	-	(4,596)	-	-
Google Ads	-	37,839	(37,839)	-	-
Royal Pavilion and Museums Trust	412	3,000	(1,000)	-	2,412
Creative Futures Campaign	-	7,699	-	(2,890)	4,809
Holiday, Activities & Food programme	-	6,191	(3,842)	-	2,349
Warm Spaces	-	500	(3,390)	2,890	-
Access to Work	-	2,478	(2,478)	-	-
London Film Festival	-	750	(750)	-	-
Kickstart Grant	2,826	-	(2,826)	-	-
	<u>7,834</u>	<u>58,557</u>	<u>(56,721)</u>	-	<u>9,670</u>
<b>Designated Funds</b>					
<b>Reserves for Key Risks &amp; Uncommitted Expenditure</b>					
Ticket Income Reserve	115,000	-	-	-	115,000
New Equipment	74,800	-	-	-	74,800
Maintenance	50,000	-	-	-	50,000
Insurance Claim Shortfall	12,000	-	-	-	12,000
HR Reserve	12,000	-	-	-	12,000
Pension Strain	20,000	-	-	-	20,000
Buildings Access Improvements	70,000	-	-	(41,587)	28,413
Essential Website Development	-	-	-	48,000	48,000
	<u>353,800</u>	-	-	<u>6,413</u>	<u>360,213</u>
<b>Committed Expenditure + Restoration Levy Fund<sup>8</sup></b>					
Restoration Levy Fund	202,971	-	-	141,670	344,641
Future Depreciation of Fixed Assets	267,089	-	-	(15,933)	251,156
Theatre Auditorium Seats	166,000	-	-	11,714	177,714
Museum Display Cases	13,200	-	-	(2,253)	10,947
Museum Lighting	4,000	-	-	-	4,000
Spin Out 2022	22,710	5,000	-	(27,710)	-
We Are Here 2022	13,450	-	-	(13,450)	-
Ringfenced Staff costs	785	-	(785)	-	-
	<u>690,205</u>	<u>5,000</u>	<u>(785)</u>	<u>94,038</u>	<u>788,458</u>
Total Designated Funds	<u>1,044,005</u>	<u>5,000</u>	<u>(785)</u>	<u>100,451</u>	<u>1,148,671</u>
Pension reserve	(845,000)	-	(183,000)	1,028,000	-
Free reserves	262,568	4,664,985	(4,702,038)	(100,451)	125,064
General Funds	<u>461,573</u>	<u>4,669,985</u>	<u>(4,885,823)</u>	<u>1,028,000</u>	<u>1,273,735</u>
TOTAL Funds	<u>469,407</u>	<u>4,728,542</u>	<u>(4,942,544)</u>	<u>1,028,000</u>	<u>1,283,405</u>

<sup>8</sup> The majority of Committed Expenditure Reserves is earmarked to be spent in 2023/24 with the exception of the Restoration Levy Fund of £345K (for business-critical equipment and furniture in the long-term future), and the Fixed Asset Depreciation Reserve (£251K) which will cover depreciation of fixed assets over 7-10 years.

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2023

20. STATEMENT OF FUNDS – Comparative Statement

Group	At 1 April 2021 £	Income £	Expenditure £	Transfers, Gains and losses £	At 31 March 2022 £
<b>Restricted Funds</b>					
ACE	-	196,398	(195,613)	(785)	-
Restricted Museum Donations	150	-	-	(150)	-
ACE COVID-19	166	-	(166)	-	-
BFI Grant	4,214	1,053	(671)	-	4,596
Google Ads	-	22,008	(22,008)	-	-
Royal Pavilion and Museums Trust	991	1,200	(1,779)	-	412
Theatres Trust	494	-	(494)	-	-
Institute of Conservations Grant	-	2,080	(2,080)	-	-
Kickstart Grants	-	7,735	(4,909)	-	2,826
Love Through Double Glazing WBC contribution	-	-	(5,000)	5,000	-
Spinout 2021	-	31,760	(36,760)	5,000	-
	6,015	262,234	(269,480)	9,065	7,834
<b>Designated Funds</b>					
COVID-19	150,000	-	-	(150,000)	-
Insurance Claim	12,000	-	-	-	12,000
Restoration Levy Fund	99,264	-	-	103,707	202,971
New Equipment	92,000	-	-	(17,200)	74,800
HR	12,000	-	-	-	12,000
Pension Shortfall	20,000	-	-	-	20,000
Maintenance	50,000	-	-	-	50,000
Future Depreciation of Fixed Assets	191,108	-	-	75,981	267,089
Ticket Income Reserve	-	-	-	115,000	115,000
Theatre Auditorium Seats	-	-	-	166,000	166,000
Buildings Access Improvements	-	-	-	70,000	70,000
Match funding for Creative Projects	-	-	(5,000)	5,000	-
Museum Display Cases	-	-	-	13,200	13,200
Museum Lighting	-	-	-	4,000	4,000
Spin Out 2022	-	6,160	-	16,550	22,710
We are Here 2022	-	-	-	13,450	13,450
Ringfence CRF#3 Staff costs	-	-	-	785	785
	626,372	6,160	(5,000)	416,473	1,044,005
Pension reserve	(706,000)	-	(219,000)	80,000	(845,000)
Free reserves	119,557	4,077,931	(3,509,382)	(425,538)	262,568
General Funds	39,929	4,084,091	(3,733,382)	70,935	461,573
TOTAL Funds	45,944	4,346,325	(4,002,862)	80,000	469,407

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2023

**21. PENSION COMMITMENTS**

**People's Pension Scheme**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £12,407 (2022: £7,475). Contributions totalling £6,104 (2022: £5,147) were payable to the fund at the balance sheet date and are included in creditors.

**LGPS Scheme**

Some of the charity's employees belong to a Local Government Pension Schemes (LGPS) which is a multi-employer defined benefit scheme. The LGPS scheme is managed by the Borough Council of Worthing Pension Fund.

The latest actuarial valuation of the LGPS related to the period ended 31<sup>st</sup> March 2023.

Contributions totalling £14,423 (2022: £20,484) were payable to the scheme at the balance sheet date and are included in creditors.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contributions made for the year ended 31<sup>st</sup> March 2023 was £157K (2022: £165K).

<b>Principal actuarial assumptions</b>	<b>2023</b>	<b>2022</b>
Rate of increase in salaries	4.45%	3.65%
Discount rate for scheme liabilities	4.75%	2.75%
Rate of increase in pension in payment	2.95%	3.15%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	<b>2023</b>	<b>2022</b>
Retiring today		
Males	21.1	21.9
Females	23.7	24.2
Retiring in 20 years		
Males	21.3	24.2
Females	25.7	25.9

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2023

The charity's share of the assets in the schemes were:

	<b>2023</b>	<b>2022</b>
	£ '000	£ '000
Equities	1,757	1,292
Property	373	387
Bonds	852	878
Cash	53	26
Total market value of assets	<u>2,662</u>	<u>2,583</u>

The actual return on scheme assets was (£150K) (2022: (£7K))

**Amount recognised in the Statement of Financial Activities**

	<b>2023</b>	<b>2022</b>
	£ '000	£ '000
Service cost less contributions	158	202
Net interest cost	25	17
	<u>183</u>	<u>219</u>

**Changes in the present value of defined benefit obligations were as follows:**

	<b>2023</b>	<b>2022</b>
	£ '000	£ '000
<b>At 1<sup>st</sup> April</b>		
Opening defined benefit obligation	3,428	3,094
Interest cost	99	69
Employee contributions	50	49
Benefit paid	(9)	-
Actuarial (gain)/loss	(1,745)	(155)
Past service cost	0	3
Current service cost	315	368
<b>At 31<sup>st</sup> March</b>	<u>2,138</u>	<u>3,428</u>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2023**

Changes in the fair value of the charity's share of scheme assets:

	<b>2023</b>	<b>2022</b>
	£ '000	£ '000
<b>At 1<sup>st</sup> April</b>		
Opening fair value of scheme assets	2,583	2,388
Employee contributions	50	49
Employer contributions	157	169
Benefits Paid	(9)	-
Other Experience	(43)	-
Interest income	74	52
Actuarial gain/(loss)	(150)	(75)
	2,662	2,583
<b>At 31<sup>st</sup> March</b>	2,662	2,583

At the year end the scheme was in the following position

	<b>2023</b>	<b>2022</b>
	£ '000	£ '000
Pension Fund	524	(845)
	524	(845)

## 22. Related Party Transactions

During the year the charity recharged its wholly owned subsidiary, Worthing Theatres and Museum (Trading) Limited £182,480 (2022: £124,795 for services and management charges. At the year-end Worthing Theatres and Museum (Trading) Limited owed the charity £15,363 (2021: £99,306)

Our Trustee, Andrew Comben is Chief Executive of Brighton Dome & Brighton Festival who provide Worthing Theatres & Museum with Payroll, Accounting and HR support/advice (Value for 2022/23 £37,839). There were no outstanding fees relating to these services as at 31st March 2023.

There were no other related party transactions.

## 23. CAPITAL COMMITMENTS

As at 31st March 2023 the Charity had committed to the purchase of auditorium seats to the value of £175K. (2022: Nil)

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2023

**24. Detailed Comparative Statement of Financial Activity**

This is a breakdown by fund of the items shown in the Statement of Financial Activities on page 35.

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>Income from</b>				
Donations and grants	3	472,103	262,234	734,337
Charitable activities	4	3,021,588	-	3,021,588
Trading activities	5	588,460	-	588,460
Investments	6	1,940	-	1,940
<b>Total income</b>		<b>4,084,091</b>	<b>262,234</b>	<b>4,346,325</b>
<b>Expenditure on</b>				
Raising funds	7	1,164,872	-	1,164,872
Charitable activities	8	2,568,510	269,480	2,837,990
<b>Total expenditure</b>		<b>3,733,382</b>	<b>269,480</b>	<b>4,002,862</b>
<b>Net income</b>		<b>350,709</b>	<b>(7,246)</b>	<b>343,463</b>
Transfers between funds		(9,065)	9,065	-
Actuarial (losses)/gains on defined benefit pension schemes		80,000	-	80,000
<b>Net movement in funds</b>		<b>421,644</b>	<b>1,819</b>	<b>423,463</b>
<b>TOTAL FUNDS AT 1<sup>st</sup> APRIL 2021</b>	20	<b>39,929</b>	<b>6,015</b>	<b>45,944</b>
<b>TOTAL FUNDS AT 31<sup>st</sup> MARCH 2022</b>	20	<b>461,573</b>	<b>7,834</b>	<b>469,407</b>

**WORTHING THEATRES & MUSEUM**

England & Wales - Charity number 1185189

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# Accounts

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Registered Charity Number: 1185189

**WORTHING THEATRES & MUSEUM**  
**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

## WORTHING THEATRES AND MUSEUM

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**CHARITY INFORMATION**  
For the year ended 31<sup>st</sup> March 2022

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**Reference and administrative details**

**Trustees (at the date of signing of accounts)**

P M Cadwallader, Chair  
S B Marshall, Vice Chair  
Dr J D Broomfield (resigned 9<sup>th</sup> July 2022)  
L Burgess  
A S Comben  
T P Hague (resigned 11<sup>th</sup> January 2022)  
J Kapsalis  
C Kelly  
S K Parsonage  
H Persson Swain  
A Lapper MBE (Appointed 20<sup>th</sup> April 2022)  
S Fitzgerald (Appointed 16<sup>th</sup> May 2022)

**Charity Registered number:**  
1185189

**Principal Office:**  
Connaught Theatre  
Union Place  
Worthing  
BN11 1LG

**Secretary:**  
J Stewart

**Auditors:**  
Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Bankers:**  
Barclays Bank  
1 Chapel Road  
Worthing  
BN11 1EX

**WORTHING THEATRES AND MUSEUM  
TRUSTEES' REPORT  
For the year ended 31<sup>st</sup> March 2022**

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The Trustees present their annual report together with the audited financial statements of the Charity for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

## **Foreword by Peter Cadwallader, Chair**

2021/22 was a challenging year for Worthing Theatres & Museum (WTM) that began with the venues closed due to the pandemic, followed by a summer of slowly rebuilding as restrictions lifted, then a full programme of events without social distancing from October to the end of the financial year.

Given the challenges we have faced, I am extremely proud of the Team: Trustees, Executive Team and Staff who have worked tirelessly to achieve the financial results. The team focused on opening the doors as soon as restrictions eased, maximised all opportunities for COVID-19 funding and grants, made cost savings where possible and delivered a stronger than expected live events programme, including the pantomime which ran without any cancelled performances and over 27K tickets sold.

We have risen to the financial challenges of this year both for our organisation and our communities. We have dramatically increased our community engagement and social impact including providing 90 families, who were struggling financially, with free pantomime tickets, supporting the Food Foundation to provide Christmas dinner for almost 100 homeless people and free use of the Atrium for community groups to help them rebuild.

I am pleased to say that WTM rebuilt the team back to pre-pandemic levels by the end of the year, hiring an additional 24 employees, making a total of 61 contracted staff. We are passionate about providing employment opportunities for young people and are therefore particularly proud of our participation in the Kickstart Scheme, which provided funding to create seven new jobs for 16- to 24-year-olds on universal credit who were at risk of long-term unemployment.

It would simply not be possible to continue our work and reach so many without the support of Worthing Borough Council who continue to prioritise culture and the positive effect it has on the people of Worthing. We are also grateful for the support of Arts Council England, National Lottery Heritage Fund, Department of Culture, Media and Sport, Theatres Trust and the British Film Institute. We are immensely grateful for the support of our generous members and all the donations we receive from our audiences. This support enables us to continue to deliver our vision to enrich everyone's lives through vibrant and exceptional arts and heritage by providing an extraordinary arts, heritage and creative learning programme, even during the most challenging of times.

We are really pleased to have strengthened the Executive Team with the aim to continue to build resilience for the organisation by establishing a more standard cultural charity structure with two executives. We had the pleasure of appointing Jill Stewart as Executive Director (Company Secretary) to work alongside Amanda O'Reilly, Creative Director and CEO. Jill has been a part of the organisation for a number of years and has extensive experience in theatre finances, capital projects, organisational change, business development and planning and has been a key member of the team in setting up the charity.

We expect 2022/23 to be the most challenging year-to-date since the formation of the charity on 1st November 2019 with: the aftermath of the last two years of the pandemic continuing to affect sales; recruitment challenges across the industry; the Hospitality and Leisure and Additional Restriction Grants and (Culture Recovery Fund) CRF grants no longer being available and the country facing a volatile economic climate with cost-of-living increases. However, with strong reserves, a commitment to our communities and a proactive, talented and experienced team we are confident we can continue to show resilience and aim to be back to full strength by the end of the next financial year.

We are aiming to be back to pre-pandemic audience levels by 2023/24. With the potential for National Portfolio Organisation status with Arts Council England and the Museum's Let The Light in redevelopment project we are excited about looking forward to the future.

**Peter Cadwallader - Chair of Worthing Theatres & Museum**

## **Executive Team Report**

Following on from Peter's comments we are delighted to formalise the long-standing, collaborative relationship we have built working together for 10 years in this organisation, first in the Council run Culture department and now as an independent charity. This provides an exciting opportunity for us to continue to develop and grow WTM artistically and operationally. We look forward to continuing to work together. We also look forward to continuing to work closely with our Senior Management Team, which has been strengthened by the additions of the new Head of Programming and Head of Finance, following our restructure.

We are delighted that of the seven Government funded Kickstart young employees, four stayed with the organisation and the other three went on to further opportunities at prestigious cultural organisations: The British Museum, The British Library and The Royal Palaces.

Over the past year we have opened the venues at each permitted stage of the government roadmap, putting safety first with a detailed COVID-19 Risk Assessment and strict social distancing when required. We launched our new website in April 2021 which attracted 3.3 million page visitors in this year, despite only 5 months of full activity for WTM. We've utilised this traffic to drive online bookings at a time when in person bookings were more challenging. We also shared engaging behind-the-scenes content from upcoming shows, such as trailers, interviews and rehearsal images, and other stories from WTM, such as updates and feedback, changes to the buildings and information about our team.

In April 2021 all our buildings were closed to the public with the team working hard preparing to reopen in mid-May (as soon as the restrictions allowed) with a limited, socially distanced programme and the Museum initially opening just two days a week. By late June we increased the programme of events with a range of theatre, family shows, comedy and circus. The Museum opened for four days a week, including late opening on Thursday evenings and Sunday openings for the first time in the history of the building. The film programme was limited through the summer due to the installation of an essential air movement system in the Connaught. By October we had reopened all venues, with a full programme of events, films and activities that has continued to date.

This year presented many challenges, however, we were determined and successfully fulfilled our mission: to enable everyone to access arts and heritage by creating shared experiences that entertain, educate and inspire.

The April to September 2020 season launched and was WTM's most ambitious live programme to date: an extensive programme featuring leading theatre, circus and dance companies as well as high profile names in live music and comedy. Whilst the venues were forced to close, we maintained the artistic integrity of the live offer, remounting selected work which could be presented in socially distanced capacities (including Rhum and Clay's *The War of the Worlds* and Proteus Theatre's *The Bloody Chamber*). We also actively pursued others whose work, with the same vision and high artistic level, could be presented within the restrictions or as part of the outdoor summer season.

Throughout the pandemic, we have maintained vital relationships with artists, partners and companies, working flexibly to successfully reschedule the majority of the work that was in place pre-pandemic. This has been alongside actively building the quality and diversity of the live offer with new approaches and content.

When the Museum reopened in May 2021 the team delivered four community focused exhibitions, a programme of collection related talks and summer workshops and reintroduced the popular archaeology walks. As confidence built with the visiting public we delivered our autumn lecture series, children and adult workshops and completed a change of exhibitions in all four temporary galleries, matching pre-pandemic artistic output and community engagement. By spring of 2022 the programme of events, exhibitions and workshops had expanded beyond pre-pandemic levels.

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We are pleased with our financial outturn for this year with a small operating surplus of £17K after designating £378K of reserves for essential improvements (including furniture & equipment replacements) which will benefit audiences, prioritising access, including increased wheelchair seating and an accessible dressing room. The ongoing support of Worthing Borough Council (WBC) and our continued healthy cashflow are also both major factors in securing our long-term financial stability and viability.

Without the financial support of WBC, Arts Council England, the Government's Culture Recovery Fund and the Job Retention (Furlough) Scheme, WTM would not have been able to survive this year. We have emerged from the pandemic a more creative, resilient and efficient organisation that is much more connected to the people of Worthing.

**Looking forward:**

Following the Access Audit completed in March 2022 we are developing an action plan to improve access across our venues and organisation including the creation of more space and capacity for customers who are wheelchair users and an accessible backstage dressing room and bathroom.

We have applied for NPO (National Portfolio Organisation) status with Arts Council England which, if successful, would give WTM additional funding for three years specifically to increase our work with young people, continue our summer programme of free outdoor performances, work in partnership with leading cultural providers, expand our programming to focus on the less heard voices in our community and to digitalise parts of the Museum collection to further increase access. We submitted an Expression of Interest to the National Lottery Heritage Fund for the Let the Light In project to redevelop the Museum and were successful in being invited to submit a full application. We are working in partnership on this redevelopment project with WBC which will open up the building, improve access and allow the addition of a coffee shop and the redisplaying of the collections.

Although we expect 2022/23 to be a challenging year, we are excited to be moving these projects forward.

**Amanda O'Reilly, Creative Director and CEO**

**Jill Stewart, Executive Director (Company Secretary)**

## 2021/22 Highlights





## Our Vision

Our Vision is a community in which everyone's lives are enriched through vibrant, exceptional arts and heritage.



## Our Mission

Our mission is to enable everyone to access arts and heritage by:

- Delivering a rich and diverse year-round programme of cultural activity
- Creating shared experiences that inspire, challenge, educate and entertain
- Reaching out into communities, providing accessible pathways to experience creativity
- Developing opportunities and partnerships with artists and companies
- Championing inclusion, supporting the creation and presentation of work that celebrates diversity
- Creating aspirational opportunities for young people within the cultural industries



## Our Values

In everything we do we will:

- Promote excellence
- Listen and respond to our community and the sector
- Commit to inclusivity across all aspects of the organisation
- Support and enhance the wellbeing of everyone we interact with
- Nurture a culture of collaboration, respect and integrity
- Take responsibility for our environmental impact

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## **Who We Are**

Worthing Theatres & Museum is a unique arts and heritage charity with a large portfolio of distinct venues: WTM Museum and Gallery (visitors 50K per annum), Connaught Theatre (520 seats), Connaught Studio (164 seats), Pavilion Theatre (750 seats), Pavilion Atrium (creative space with option for 200 seats) and Assembly Hall (950 seats), all positioned within the heart of the borough town of Worthing in West Sussex.

WTM offers an inspiring and supportive workplace that promotes unity and diversity providing an environment where differences and what we have in common are celebrated. We engage with responsible and respectful working practices and empower our team to shape and deliver WTM's key objectives with integrity. WTM opposes all forms of discrimination.

## **What We Do**

Worthing Theatres & Museum is an ambitious organisation that presents a vibrant, diverse and entertaining programme of performances (theatre, contemporary circus, dance, comedy, music, family theatre, and talks), events, film, exhibitions and workshops. We manage a museum collection of national significance (costume, archaeology, fine art, toys), present an annual outdoor summer festival and collaborate with leading UK producing and touring companies. We engage with our local communities through a range of projects, partnerships and venue hires, using art and culture to create opportunities for the benefit of the wider community. WTM engaged with 400,000 people per year pre-pandemic.

Our annual turnover, before the pandemic, was approximately £5.8 million. WTM receives an annual service payment from Worthing Borough Council for the management and development of its cultural assets. Additional income is earned through ticket sales, fundraising and other revenue streams which include a contribution from our secondary trading activities, such as bars & kiosks (through our wholly owned trading subsidiary).

## **Charitable objects and activities**

In setting objects and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance. The objects of the Charity are:

1. The promotion of arts, particularly but not exclusively, by promoting and facilitating access to performances of theatre and dramatic arts, and other cultural activities.
2. The advancement of education, particularly but not exclusively, in relation to theatre, dramatic arts, and the preservation of important historical collections of decorative arts and clothing within a museum.
3. To promote social inclusion through theatre and dramatic arts, and other cultural activities by preventing people from becoming socially excluded, relieving the needs of people who are socially excluded and assisting them to integrate into society.
4. To provide or assist in the provision of facilities and cultural events in the interests of social welfare and to advance public participation and engagement with arts and culture for recreation or other leisure time occupation by individuals who have need of such facilities by reason of youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

## **Programme of Culture & Heritage**

**Live Events** - we held 273 live events in the venues with 73K tickets sold. The programme was varied including the premieres of Proteus Theatre's *The Bloody Chamber*, Rhum & Clay's *The War of the Worlds* as part of the Brighton Festival, and Hikapee's *The Hidden People* which was created and premiered in Worthing. Happily schools began to rebook making up a third of the sales for *Jekyll & Hyde* by Blackeyed Theatre.

Comedy, talks and music were particularly strong sellers with the following shows close to sell out: Sarah Millican, Laura Lexx, Jimmy Carr, John Lydon, Whitney, Josh Widdicombe, Ben Fogle, Henning Wehn, *That'll Be the Day*, Rob Brydon, Suggs, Dick & Angel, *Fascinating Aida*, *Here's What She said to Me*, Jason Fox, Jo Whiley, Katherine Ryan and Motionhouse. March sales were particularly successful as we joined the UK Theatre / National Lottery *Buy One, Get One Free* ticket offer.

**Pantomime** - *Beauty & the Beast* was extremely successful with 27,504 tickets sold across the 56 performances, only 12% less than the record-breaking *Cinderella* in 2019. Our rigorous safety measures, including strict isolation of the cast and crew, meant we were one of the few venues in the country to have no cancelled shows and a full cast performing for the entire run.

**Film** - the film programme from June to September was restricted in the Connaught main house due to the installation of the air movement system, a crucial safety feature. Even with several months of no films Monday to Friday we still held 1,688 screenings, including several popular Screen Arts, and sold 42K tickets totalling £210K. Thankfully we were fully reopened for the release of the latest Bond film "*No Time to Die*" in September 2021 which sold £43K worth of tickets alone. We took advantage of the National Lottery funded UK Theatres Love Your Local Theatre 2-4-1 Scheme in March 2022 giving us an extra £16K worth of ticket sales.

In addition to the Bond film, other successful films included: *The Duke*, *The Oxide Ghosts*, *Sing 2*, *Death on the Nile* and *Jackass Forever*. Screen Arts events included *ROH La Traviata*, *Riverdance* and *NT Book of Dust* which also sold well.

Although film audience numbers are proving slower to recover than live events, we are hoping that once the film industry gets back into the usual cycle, numbers will return to pre-pandemic levels.

**Participation** - WTM has significantly increased the workshops for children, families and adults giving opportunities for local people to get involved with hands-on creative classes.

**Museum** - we opened the Museum as soon as restrictions were lifted and extended the hours to include late opening on Thursday evenings and opening on Sundays for the first time in the history of the Museum. It was a key development to make the Museum more accessible, particularly for people who work 9 - 5pm weekdays.

The opening exhibitions were stunning, and all had a local theme: *In their Shoes* (photography / soundscape celebrating the stories of 14 people in Worthing Borough including nurses, performers, children and refuse collectors); Anthony Bennett (local abstract painter); *Open 21* (showcasing the work of 228 Sussex Artists) and *Hercule Van Wolfwinkle's Rubbish Pet Portraits*.

The Museum successfully secured funding from the Institute of Conservations, providing specialist conservation for a piece of 16th century embroidery, which will allow the textile to be displayed for public enjoyment. We also secured funding from the Museum Development Service as part of their *Innovate to Generate* scheme, providing staff training on the SpinMe equipment to support the digitalisation of the collections.

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The Museum welcomed a variety of exhibitions in 2021/22 including: St Sara Kali George, an installation exhibition by artist Delaine Le Bas; The Story of Captain William Hargood in the Napoleonic Wars and Cutting Edge an exhibition of Contemporary Costume Collecting. There were exhibitions on local history and issues including: John Pull - Worthing's Hero Archaeologist; our Curator for a Day exhibition which, as a reward through our Crowdfunding campaign, one member of the public curated their favourite works from the art collection; Anne Krinsky: Fugitive, a digital print installation about vulnerable South Coast wetlands and climate change; A Trip to Worthing: Downs, Town and Sea, an exhibition looking at the relationship between Worthing and the surrounding landscape and seascape over the last two centuries, using a range of our diverse collections. We were delighted to welcome the return of the biennial WTM OPEN, which attracted 228 artists from across East and West Sussex who submitted nearly 600 pieces of work to be displayed for the public. Finally, our Toy Story exhibition used our wonderful toy collection to showcase how children and adults alike have entertained themselves through the years. In total we opened 13 very diverse exhibitions by the end of March 2022.

During 2021/22 the Museum had excellent visitor numbers, welcoming 49,918 visitors through its doors compared to the last fully open year (2019/20) of 50,294 visitors. Given that the Museum was closed in April 2021, open for just two days in May & June 2021 and then four days from June to August 2021 (compared to 5 days per week throughout 2019/20), this level of attendance is admirable, especially when compared to national Museum visitor trends which are significantly down post lockdowns. The early trend in the current year (2022/23) continues to be encouraging and we are cautiously confident of achieving our 2022/23 target of 60,000 visitors for the first time in the Museum's history.

**Bars & Kiosks** - This is an essential part of our customer experience, whether it be a glass of wine at the interval of a play or popcorn to accompany a film. Despite similar challenges to live events and film, due to closure and pandemic restrictions, we exceeded our revised sensitivity budget income target of £260K by £24K or 9%.

**Venue Hire & Pavilion Kiosk Rentals** - the venues have been hired on 125 days with 40 live performances which were attended by 16,192 people providing an income of £78K. Rent received from our Pavilion Kiosks was £21K.

## **Public Good - Our Social Impact**

The COVID-19 Pandemic has been exceptionally challenging for WTM, but one positive outcome is the increase in outreach work that has dramatically improved our social impact. We now work with multiple community partners, providing creative opportunities for many different sections of people in Worthing and the surrounding area, balancing our business need for financial resilience with an offer which includes accessible free and low-cost events for all.

In May 2021 we co-commissioned Vamos Theatre Company to create Love Through Double Glazing, a piece that toured to care homes, performed in the gardens with the residents who required isolation able to watch through the windows. This was a beautiful and moving project that created an interactive and sensory experience for the residents.

We opened the Museum with a set of locally focused exhibitions including Walk a Mile, which focused on the pandemic experience of 14 local people, and Open 21, which gave 228 local artists the chance to exhibit and sell their work. The exhibition of Hercule Van Wolfwinkle's Rubbish Pet Portraits supported his fundraising of over £100K for Turning Tides, a local homeless charity.

We ran a campaign to celebrate the unsung heroes in the local community, nominated by their friends and family. This culminated in the installation of 159 photos of Worthing people in all the windows of the Pavilion Theatre.

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During July and August we programmed 18 free outdoor shows as part of Spin Out, building on the circus and street arts programming that has been so successful over the last five years. Performances included Joseph Toonga - Justice in Motion, Ockham's Razor's Together, Kapow's Grow (environmental theme), Strong Woman, Dizzy O'Dare, and Inverted Theatre's BOX. These events were attended by in excess of 3200 people and brought vibrancy and culture back to the Town Centre. The dance pieces from Joseph Toonga included an open conversation on race and the experience of growing up as a black male in the UK. We arranged for local youth group Superstar Arts to work with Kapow Dance Company and develop a piece about the struggle that they and their families faced with changes to their daily lives and routines during the COVID-19 pandemic. The show was performed in the Museum and made into a wonderful film.

Our summer programme had a series of nine Archaeological Walks including Cissbury Ring and Highdown Hill which were extremely popular and connected with people who were not yet confident in attending indoor talks.

A key focus for WTM is supporting freelance artists and companies to create new work as part of our Made in Worthing project. In 2021/22 we supported seven companies including three local professional companies with R&D space and resources to prepare for touring later in the year.

In the autumn we commissioned a videographer to work with our local amateur theatre and music groups, (Worthing Philharmonic Orchestra, Worthing Musical Comedy Society and Worthing Musical Theatre Company) to provide them with social media content to support their relaunch and the rebuilding of their memberships and audiences. We also provided free meeting spaces for nine community groups (Always Possible, One Stop Party Shop, Creative Waves, Dementia Friends, Love Your Hospital, Rachel Sullivan, West Sussex Mind, Worthing Food Foundation and Worthing Storytellers Club) to hold their first meetings after lockdown, offering a large, safe, clean space.

Eleven local companies worked with WTM and Paul Holman Associates to sponsor free tickets to the pantomime for 90 families who were struggling financially. We worked closely with the Worthing Food Foundation, Storm Ministries and Turning Tides to make sure local people with the greatest need could attend.

We opened the Pavilion Atrium on Christmas Day for the first time in order to support the Food Foundation in providing Christmas lunch for 87 homeless people.

During 2021/22 we engaged with 13 schools and 1,447 pupils as well as supporting 7 young people into employment in the cultural industries through the government Kickstart Scheme.

Volunteering opportunities have always been important to WTM, and we worked to stay connected to our volunteers during the lockdown with our staff organising online socials and video quiz nights. Since reopening we have 41 regularly active volunteers joining our Front of House and Museum teams. Volunteering is a crucial steppingstone for people to build the confidence needed to start or return to work. We are proud to have supported 32 regular Front of House and 9 Museum volunteers, with up to 30 more working on an ad-hoc basis.

## **Audience Engagement**

Post-restrictions we are focused on delivering a service that engages our audiences, both existing and potential. This is achieved by collecting relevant data about those audiences and responding to it in appropriate ways when planning our activities. Within 2021/22 we had 26,921 bookings for our annual programme, equating to 116,016 visitors to a ticketed event, we know post-restrictions the majority of our audiences come from the local area with 50% of our bookers living within a 3km radius of the Connaught Theatre. We delivered 1,873 ticketed live events, screenings and workshops, gained an additional 365 members of the WTM Membership scheme, received 7,700 individual donations from our audiences online, reached 48,202 followers across all our social media channels and shared our new website content across

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an ever wider geographical area, with 3.3million page views this year.

## **Our Teams**

Like many employers throughout the pandemic, we were forced to find different ways to operate including working from home with video calls becoming the norm for staff and external stakeholder communication. The second half of this year saw our teams gradually returning to the office and, in line with most organisations, hybrid working is now in place for staff who are able to work from home. We prioritised the safety of the staff returning to work in the offices by spreading the teams across the different venues, spacing desks out and installing protective screens. The hospital grade *Air-160* air purifying system was installed in all offices and venues. WTM continued to invest in IT and digital technology to enable employees to continue to work partly from home, but we also invested in updating and improving the hardware in the venues, including a new phone system, which staff can access remotely, to continue to make the teams more agile.

## **Fundraising**

We began the new financial year in recovery, preparing to reopen the venues in May 2021, faced with the continued challenge of raising funds to remain financially sound.

**Individual Giving** - we received generous support: online donations (£19.8K), in person donations (£2K), Gift Aid (£3.3K) and our membership scheme retained pre COVID-19 levels (£18.6K).

**Trusts and Foundations** - we received support from Culture Recovery Fund Round 2 (£98K) and Culture Recovery Fund Round 3: Continuity Support (£98K). We also received funding from Arts Council England towards the annual outdoor season Spin Out (£28K). We submitted an application to Arts Council England for the We are Here project (£48K) but were unsuccessful. We submitted an Expression of Interest to the National Lottery Heritage Fund for the Museum redevelopment project, Let the Light In and were successful in being invited to submit a full application this year.

**Sponsorship** - we secured £4,348 with local business partners and sponsorship over the Christmas period. Local companies and individuals purchased tickets for our pantomime to allow low-income families to attend the show. We are grateful to Caffyns Audi, Roffey Homes, The Fish Factory, Port Hotel Eastbourne Ltd, Shoreham Port Authority, Nationwide, Lancing College Preparatory School, Jacobs Steel, Cepta Kelly, South Downs Education Trust, Heavy Gretel and Egalite Care. We also thank the following local organisations who sponsored the pantomime: Carpenter Box, Worthing Scouts, Caffyns Audi, Jacobs Steel and Worthing Gin. In addition, we secured £4K in partnerships with Worthing Borough Council and Worthing Town Centre Initiative for Spin Out, maximising the high footfall and exposure of both to secure funds. Finally, we utilised the £5K received from Worthing Borough Council in 2020/21 as a contribution towards the production of "Love Through Double Glazing" which was performed in four local care homes.

## **Health & Safety**

Safety for our customers and staff has been paramount with increased cleaning and regular fogging across the venues, hand sanitizers installed in every foyer, perspex panels at each service point, clear one-way systems through the buildings, socially distanced seating in auditoriums and reduced workstations in all the offices. All staff were issued with the COVID-19 risk assessment and additional COVID-19 training was completed as well as training in health & safety, safeguarding, fire safety awareness, GDPR and manual handling.

We have conducted health and safety audits of the Connaught Theatre, Connaught Studio, Assembly Hall and Pavilion Theatre with RB Health and Safety Solutions Ltd and we are developing an ongoing action plan for improvements. The next priority is the replacement of the very old seating in both the Pavilion Theatre and the Assembly Hall that have been flagged as a concern.

We have made a number of key improvements during the year including:

- The Connaught Theatre air movement system (funded by WBC) has been installed and changes the air in the Connaught auditorium six times an hour. This new system has improved the customer experience in the auditorium, allowing the audience to sit in comfort.
- *Air-160* air purifying canisters have been installed in all public and office spaces in all venues giving us a reduction of >99.9% of COVID-19 and other viruses, bacteria and microorganisms present in the air.

## **Access and Inclusion**

*Access for All UK* have conducted an access audit of all our venues which will greatly improve the customer experience for patrons with access requirements and our DDA compliance. We are now developing a detailed action plan including a fundraising strategy.

We have increased the number of signed and relaxed performances, held our first captioned pantomime performance and given the staff deaf awareness training. The programme has focused on developing the diversity of events giving the lesser heard sections of our communities a voice and the opportunity to see themselves on stage or film.

## **Venue Improvements**

We maximised the opportunity during the closure of the buildings to complete a number of improvements and redecorate many of the customer facing areas. We fully refurbished the Costume Gallery at the Museum, refurbished the Pavilion Atrium, re-launching it as a creative space, and redeveloped our office spaces to give staff more room and a better working environment.

## **Sustainability and environmental achievements**

WTM are committed to helping the environment with sustainable initiatives that underpin our charitable work. To this end WTM and Worthing Borough Council are working together to become carbon neutral by 2030, one of the biggest projects being the Ground Source Heat Scheme that will provide heat to the buildings from sewers. WTM have also worked in partnership with Worthing Borough Council to install solar panels on the Assembly Hall. We have replaced 80% of existing lighting with environmentally friendly LED bulbs.

The hybrid working required during the pandemic has resulted in WTM dramatically reducing paper usage, moving to digital contracts and a digital recruitment system. We have also installed digital poster screens in the venue foyers and one on the external wall of the Connaught which reduces the use of paper posters and allows us to scroll through multiple events at each location.

We have signed up to Julie's Bicycle Scheme and the UK Theatre's Green Book to continue our focus on reducing our carbon footprint and are delighted to be investigating the installation of beehives on the Assembly Hall roof.

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## **Financial review**

### **Overview**

WTM revised the original budget for 2021/22 to accommodate the impact of the pandemic which led to a "sensitivity budget" for 2021/22 projecting live event income of £951K from live events (£1,802K original budget). We anticipated that restrictions would be lifted, and we would be able to open our doors from September 2021. We continued to open our doors at every opportunity, adhering to all government-imposed restrictions. Restrictions were lifted slightly earlier than we had anticipated, in July 2021. Our rigorous safety measures, including strict isolation of the cast and crew, meant we were one of the few venues in the country to have no cancelled shows and a full cast performing for the entire run. As a result of being able to open slightly earlier than anticipated in July, and also a successful pantomime season, we finished the year with live events income of £1,283K, exceeding our sensitivity budget target by £331K.

### **Income and Expenditure**

Our total income for the year was £4,346K and our total expenditure for the year was £3,784K. After transferring £416K to specific designated funds (relating primarily to capital and COVID-19 matters), the amount Arts Council England allowed us to carry over from 2020/21 from round one of the Cultural Recovery funding (£131K), and £2K of restricted fund movements, we ended up with an operating surplus of £17K.

The Council service fee made up a larger proportion of our operating income (38.7% compared to 26.9% in original budget) due to significant periods of closure or reduced audiences because of social distancing measures or lower audience confidence levels.

WTM continued to maximise savings in expenditure, including continued use of the Government flexible Job Retention (Furlough) Scheme and ongoing reviews of contracts and regular expenditure. We have, however, incurred extra costs to ensure our venues are safe for our audiences and staff, following government guidance and external advice.

We started the year with a reduced staff base of 37 contracted employees and have recruited only as and when we needed to fill vacancies which has led to significant savings of staff costs. We finished the year with a near full complement of 61 contracted employees.

### **Restricted Funds**

Restricted funds received and spent are not included in the above figures.

Restricted funding received included Arts Council England (ACE) funding for the Culture Recovery Fund Round 1 (£98K) and Round 2 (£98K) and also for our Spin Out outdoor programme (£28K). We received further funding towards the Spin Out programme from Worthing Borough Council (£2.5K) and Worthing Town Centre Initiative (£1.5K). We also received £8K from the Government Kickstart Scheme towards training and set up costs for the Kickstarter employees. We received grants for the Museum of £2K from the Institute of Conservations and £1.2K from the Museum Development Service. We received a further £1.1K from the British Film Institute towards film festivals. Finally, we continued to qualify for the Google Ads Grants programme (free Google ads for non-profit organisations) allowing us to benefit from £22K worth of free Google ads.

The vast majority of restricted fund opening balances and amounts received throughout the 2021/22 year were spent during the 2021/22 year with £8K of funds carried over and expected to be spent in 2022/23.

### **Cashflow**

We continue to benefit from a healthy cashflow with £3.2million in the bank, as at 31st March 2022. It is worth

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noting that significant amounts of this balance are made up of the advanced payment of our Council Service Fee (6 months £740k) and a healthy advanced ticket and customer account/unredeemed gift voucher balance (£631K). In addition, there is the balance of the CBILS (Coronavirus Business Interruption Loan Scheme) loan of £238K which was taken out as a precautionary measure to safeguard against further losses due to the pandemic. In the next financial year as we review further financial recovery since lockdowns, we shall consider repayment of this loan in full if we deem that we can no longer justify the interest payments.

## **Government, Local Authority and Arts Council England Financial Support**

We have continued to take advantage of every incentive offered by the Government, Local Authority and ACE, in particular those put in place to help us survive the pandemic.

### **Government Support**

- **Job Retention Scheme (Furlough)** - we continued to work flexibly and wherever possible flexibly furloughed casual staff until April 2021 and contracted employees until the end of the scheme in September 2021, with claims totalling **£98K**.
- **Kickstart Scheme** - we employed seven young staff under this scheme and claimed **£39K** to cover their wages and a further **£8K** to cover training and resources costs.
- **COVID-19 Apprenticeship Incentive Scheme** - we employed an apprentice in September 2021 claiming the **£3K** incentive under this scheme.
- **Reduced VAT Rates for Hospitality** - we took full advantage of the temporary reduction of the VAT rates (to 5% and 12.5%) for our Film ticket sales and also non-alcoholic bars and kiosk sales leading to increased income in the region of **£10K**.
- **HMRC Employment Allowance** - we were able to once again claim the **£4K** employment allowance from HMRC, although for future years it is unlikely we will qualify for this as we return to normal staff numbers.
- **Coronavirus Business Interruption Loan Scheme (CBILS)** - In January 2022 we began the monthly repayments of the £250K loan that we took out in the previous financial year and the balance outstanding as at 31st March 2022 was £238K. This loan was taken out at a time of extreme uncertainty. Therefore, as we come out of the pandemic, we are regularly reviewing whether it is necessary to retain the loan and we will repay it as soon as we feel confident it is no longer required.
- **COVID-19 VAT Deferred Payment Plan** - we finished benefiting from this deferred VAT payment plan in January 2022 when we made the final monthly payment of the balance of the liability for the quarter ending 30th April 2020.

### **Worthing Borough Council Support**

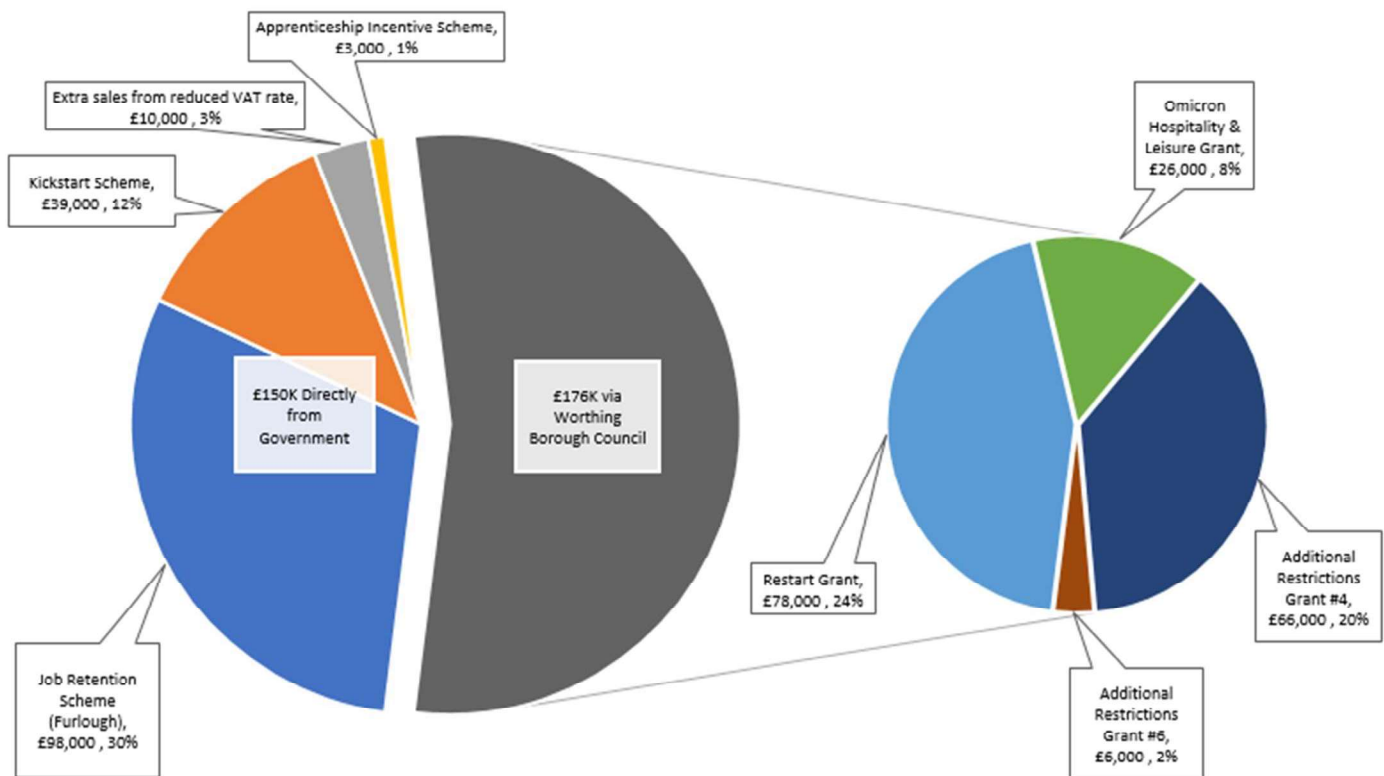
We are extremely grateful for all the support received from our local council, Worthing Borough Council (WBC), which includes:

- **Council Service Fee** - we continue to receive our contracted service fee from the Council in order that we can deliver our objects and activities.
- **COVID-19 Grants (from Government funding - distributed by WBC)**
  - **Restart Grant** - we received **£78K** from this grant in April 2021 provided to help the hospitality industry to reopen safely.
  - **OMICRON Hospitality & Leisure Grant** - we received **£26K** from this grant in February 2022 provided to help with the impact of the Omicron variant of COVID-19.
  - **Additional Restrictions Grants (ARG)** - in addition we received amounts from the local authority discretionary Additional Restrictions Grants in April 2021 (ARG round 4 **£66K**) and in March 2022 (ARG round 6 **£6K**)
- **Business Rates**
  - **Charitable Relief** - As a charity, we automatically benefit from an 80% reduction of our Business Rates
  - **Discretionary Relief** - we also qualified for further discretionary relief with WBC for some of

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- our buildings equating to the following, in addition to the standard **80%** charitable relief
- Pavilion Theatre, Connaught Theatre & Studio - **10%** (**90%** relief in total)
  - Assembly Hall and South Chapel Store - **15%** (**95%** relief in total)
  - Museum - **20%** (**100%** relief in total)
- **COVID-19 related Retail, Hospitality & Leisure Relief** - Finally, we also benefited from this further relief meaning no business rates were payable until 1st July 2021 and then 66% further relief until 31st March 2022. For 2022/23 we will benefit from 50% relief for the whole financial year.

**COVID-19 Financial Support 2021/22**



**Arts Council England (ACE) Support**

We were very grateful for support from the Culture Recovery funds (CRF) distributed by ACE

- CRF Round 1 - Although we received £239K in the previous 2020/21 financial year, we were exceptionally allowed to carry over £131K to 2021/22 to reflate our reserves
- CRF Round 2 - We received £98K
- CRF Round 3 (Continuity Support) - We also received £98K

In addition to the above COVID-19 support, we also received £28K from ACE towards our “Spin Out” summer outdoor performances.

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## **Local Government Pension Scheme (LGPS) net liability**

WTM operates a defined benefit pension scheme for staff transferred from the Council under the Transfer of Undertaking (Protection of Employment) (TUPE) regulations. Our actuary has estimated that WTM's net liability for the LGPS as at 31<sup>st</sup> March 2022 is £845K. This liability has increased by £139K, a significant increase on the previous year's figure of £706K since the last actuarial calculation on 31<sup>st</sup> March 2021. The increase in the liability is primarily due to increases in assumptions of the cost of living (CPI) (up from 2.75% at 31<sup>st</sup> March 2021 to 3.15%) and salary increases (up from 1.50% at 31<sup>st</sup> March 2021 to 3.65%).

As part of WTM's Agreement with Worthing Borough Council (WBC) the charity's employer contribution rate is capped at 17.9% for the duration of the Agreement. The Council pays any excess over 17.9% employer contributions. WTM has included future contributions at this agreed capped rate in our business plan and forecasts.

The risks associated with the LGPS are addressed on page 20.

In the meantime, although this liability significantly reduces the total funds carried forward shown on the Statement of Financial Activities and Balance Sheet, it should be noted that a liability over such a long term is usually dismissed for the purposes of calculating liquidity / solvency.

## **People's Pension Scheme**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £7,475 (2020/21: £15,301). Contributions totalling £5,147 (at 31<sup>st</sup> March 2021: £2,363) were payable to the fund at the balance sheet date and are included in creditors.

## **Reserves**

Having continued to take advantage of COVID-related grants throughout 2021/22 we have been able to increase our reserves significantly. We have increased our designated reserves by £417,632 which is primarily the creation of new reserves for projects earmarked to be carried out in 2022/23 (£290K) and increasing our Restoration Levy by the ticket levies received of £104K. Also, we have managed to increase our general funds (free reserves) by the operating surplus for the year of £148K (including £131K carried over from 2020/21 being the balance of our 2020/21 Arts Council England (ACE) Culture Recovery Fund Round 1 for which we received permission from ACE to use to reflate our reserves in 2021/22).

Having considered the potential risks and threats, the Trustees have determined reserves target of £750K, which could also be used to take advantage of any capital and operational opportunities which may arise. As at 31<sup>st</sup> March 2022, we had general reserves (also known as free reserves) of £263K, some small, restricted grants balances totalling £8K, and designated reserves totalling £1,044K (details below).

Certain designated funds (Theatre Auditorium Seats, Museum Cases & Roof Lights, and Buildings Access Improvements) are earmarked for specific projects, to be used in the 2022/23 financial year.

The Spin Out and We are Here 2022 Reserves are earmarked to be used in the Summer/Autumn of 2022.

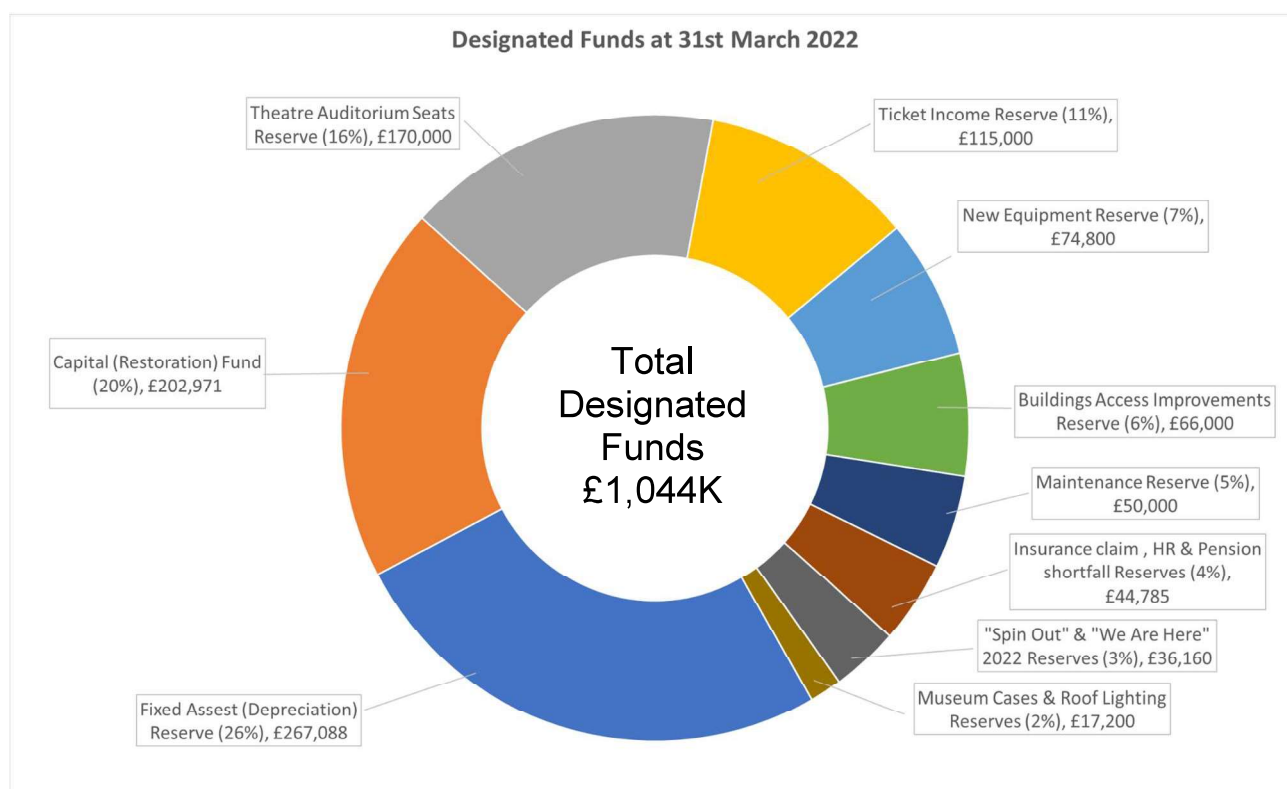
The Fixed Assets (Depreciation) Reserve (£267K) will be used over 7 to 10 years, in line with the expected life span of the various fixed assets being depreciated.

The Ticket Income Reserve (£115K) is earmarked to offset significant failure of Box Office, the financial impact of cancellation of productions or increased costs either due to Covid-19 or any other reason.

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The Capital Restoration Fund (£203K) is the total of all ticket levies received and is earmarked for capital works and equipment expenditure in the long-term future.

The other designated reserves totalling £157K are not earmarked for immediate use, but we feel it is prudent to build these up to cover the eventual inevitable replacement of furniture & equipment and also unforeseen circumstances. Combining these with our accumulated free reserves of £263K leads to a total of £420K, which is a significant amount towards our reserves target of £750K but still leaves a remaining target of £320K for us to aim to build up at every opportunity in the coming years.



## Going Concern

The Trustees have considered the continued impact of COVID-19 as well as the current pressures of inflation both in terms of audience confidence, disposable income and the impact on operating costs for WTM on their assessment of going concern. After making appropriate enquiries, the Trustees have a reasonable expectation that WTM has adequate resources to continue in operational existence for the foreseeable future (which is considered to be a period of at least twelve months from the date of approving these financial statements). For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

A continued healthy long term cashflow forecast and the ongoing support of Worthing Borough Council are both major factors in securing our long-term financial stability. WTM is committed to securing further financial stability by maximising existing and new income streams such as fundraising from individual giving, corporate partnerships and trusts and foundations, by further streamlining operations, seeking best value to minimise expenditure and reinforcing reserves at every opportunity.

**WORTHING THEATRES AND MUSEUM**  
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## **Principal Risks and Uncertainties**

WTM has a detailed Risk Register in place to monitor the ongoing and potential risks to the organisation. The key areas of risk are:

### **COVID-19 Pandemic**

WTM has managed the challenges of the pandemic extremely well, with a comprehensive COVID-19 risk assessment that exceeds the requirements of government guidelines, the maximising of savings and funding opportunities and sustaining a cultural offering to Worthing whenever possible. However, as the country moves forward to the “new normal” we still face many challenges, not least of which is the impact of decreased audience confidence on ticket sales. Our budget for 2022/23 shows reduced ticket income projections and we have built a ticket reserve to mitigate potential shortfalls.

### **LGPS**

As mentioned above, WBC currently provides a guarantee until 31st October 2024 that if the LGPS exit debt is triggered, and WTM are unable to pay the exit debt after using all its resources and reserves, that the Council will pay the remainder. Therefore, the triggering of the exit debt is a significant long-term risk to the Charity. We are presenting a proposal to WBC that aims to release us from this liability by entering into a pass-through arrangement, between WTM and WBC, and hope to have a decision by 31st March 2023.

The Council currently provides a guarantee for the Pension Fund, (which is required by the Pension Fund) in case WTM defaults on any of its payment liabilities.

The risk associated with the exit debt is substantial. WTM are currently in negotiations with WBC regarding an indefinite guarantee (for the Pension Fund) for the duration of the Management Agreement and a pass-through arrangement which will remove the exit debt risk.

### **Financial**

To address the risks related to financial performance, the Executive Director (Company Secretary) and Head of Finance have many years' experience and the skills to produce and interpret budgetary and financial reports. They are supported by the Chair of our Finance & Audit Committee (who is also the Finance Director at Chichester Festival Theatre) and the finance team at Brighton Dome & Festival as part of a Service Level Agreement. Budgets directly relate to organisational business planning and objectives are closely monitored and reported in a timely and accurate fashion at weekly finance meetings with the Creative Director and CEO. Finance & Audit Committee meetings ensure the budget, management accounts, balance sheet, cashflow variances and reserves position are regularly monitored. Alerts are put in place and emergency meetings would be called if cash in the bank were to fall lower than £350K. Cashflow is usually strong for the organisation due to advance ticket sales and the advance payment of the Council service fee which is paid six months in advance in April and October. During the pandemic the cashflow was bolstered by a business interruption loan of £250K.

### **Compliance**

WTM has identified key legal and regulatory requirements which are monitored by the Head of Technical, Building & Production working closely with Worthing Borough Council. HR compliance is managed by the Director of Human Resources as part of the Brighton Dome and Festival Service Level Agreement. Regular reports are completed for the Trustees. Advice is sought for specialist areas from UK Theatre and the Museums Association.

## **Structure, Governance and Management**

### **Constitution**

Worthing Theatres & Museum became a Charitable Incorporated Organisation (CIO) on 5th September 2019 and started trading from 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets.

We also have a trading subsidiary company that is responsible for non-charitable activities which is wholly owned by the charity.

### **Board of Trustees and Executive Management Team**

The Executive Management team are guided and supported by an experienced Board of Trustees who are experts in theatre, museums, business, finance, hospitality, regeneration, legal, HR, PR / marketing and equality and diversity. In 2021/22 one Trustee resigned. We also received notice on 29th March 2022 of another Trustee resignation to take effect in the following financial year (last day being 9th July 2022). At the end of March 2022 we had five male and four female Trustees.

We recognise the need to diversify our governance in terms of age, culture and disability. The Board is carrying out a recruitment drive and is actively seeking Trustees from more diverse cultural and socio-economic backgrounds, as well as a youth board member who is between 18 and 30 years old, to be appointed in the first quarter of the next financial year. In the first two months of the 2022/23 financial year two new Trustees were appointed. From 10<sup>th</sup> July 2022, on our Board we will have six female and four male Trustees as we strive to create a more diverse and inclusive Board.

### **Organisational Structure and Decision Making**

We started the financial year with one Executive and five Senior Managers. In the second half of the year a restructure of the Executive and Senior Management Team took place in order to strengthen the organisation, two years after the charity started operating. This resulted in a Leadership Team which consists of two Executives and six Senior Managers. The previous Head of Business & Finance moved into a new Executive Director (Company Secretary) role. With two Executives we have a more standard format which creates more stability. This enables the Creative Director and CEO to drive the creative vision of the organisation with the Executive Director (Company Secretary) post overseeing the financial and business side of the organisation and reporting to the Creative Director and CEO (as well as a direct relationship with the Board in capacity as Company Secretary). The previous Principal Accountant moved into a new Head of Finance post and the previous Live Events Manager moved into a new Head of Programming post. There was no change to the other previous senior manager positions of Head of Museum and E, Head of Technical, Production & Buildings and Head of Customer Experience.

The Executive Team reports to the Board of Trustees five times a year including full financial reporting, overview of programming and projects and health & safety risk assessments. Senior Managers provide presentations as and when required. The Executive Team works with the Board of Trustees to establish key performance indicators for all aspects of the charity's activities which are monitored and reviewed regularly throughout the year. Progress and actions taken are communicated at each Board meeting through written and verbal reports and through formal reporting to Worthing Borough Council and meetings with Arts Council England. In February, there is also an annual away-day attended by Trustees, Executive Team and Senior Management Team. Each year we publish an annual report that contains key information about the charity's performance.

The Trustees have delegated some of their powers and functions to committees and have determined the

**WORTHING THEATRES AND MUSEUM  
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For the year ended 31<sup>st</sup> March 2022**

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terms and conditions on which the delegation is made.

### **Methods of Appointment of Trustees and Terms of Office**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the CIO constitution. The CIO must have at least three charity Trustees and the maximum number is twelve. The process of recommending the appointment of Trustees to the Board is carried out by the Nominations Committee and the Board reviews and assesses the skills, knowledge and experience of the recommended candidates needed for the effective administration of the CIO. The Board will do all in its reasonable power to appoint and retain (for designated terms) Trustees of the highest calibre. Trustees are expected to attend a high percentage of Board and Committee meetings.

Every appointed Trustee is appointed for a term of three years, and they may offer themselves for re-election for a second and third three-year term. A Trustee who has served for three consecutive terms may not be reappointed for a fourth consecutive term but may be reappointed after an interval of at least one year.

### **Committees**

Committees have Terms of Reference. WTM has four committees and also currently a working group for the Local Government Pension Scheme (LGPS) until the negotiations regarding the scheme with Worthing Borough Council are concluded. The committees report regularly to the Board.

### **Finance and Audit Committee**

The Finance and Audit Committee normally meets five times a year and is responsible for financial management, audit, internal control and risk management.

### **Nominations Committee**

The Nominations Committee considers and makes representations to the Board on its composition and balance and identifies, reviews and makes recommendations for potential appointments.

The Nominations Committee also has responsibility for recommending Director appointments for the Trading Subsidiary to the Board.

### **Remuneration Committee**

The Remuneration Committee determines and agrees with the Board the framework or broad policy for the remuneration of the Executive Team and the Senior Management Team working within the TUPE and WTM Pay and Reward Policy, which includes pay and grading posts using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The Committee may benchmark salaries against similar organisations. The Committee acting responsibly has the authority to appoint remuneration consultants and to purchase or commission any reports which it deems necessary within any budgetary restraints imposed by the Board.

### **Capital Projects Committee**

WTM has aspirations to complete a series of capital projects to enhance its cultural offering and to meet the Objects of the Constitution. The Capital Projects Committee has the responsibility of overseeing the development of the capital projects subject to limitations which remain decisions for the Board and where relevant in partnership with Worthing Borough Council. On the two larger scale Museum and Union Place redevelopment capital projects relating to the Council properties the Committee will form a partnership with WBC capital projects teams.

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For the year ended 31<sup>st</sup> March 2022**

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### **Fundraising Campaign Committee**

The Fundraising Campaign Committee is responsible for an ongoing fundraising strategy for revenue, special projects, events and capital projects.

### **Policies Adopted for the Induction and Training of Trustees**

New Trustees undergo an induction to brief them on their legal obligations. They receive a copy of the Constitution and also the CIO's latest Trustees' Annual Report and Statement of Accounts as well as background and Charity Commission guidance on public benefit, committee and decision-making processes, the business plan and information on recent financial performance.

### **Risk Management**

The charity has a formal risk management process through which the Executive Team and Senior Management Team identifies the major risks to which the organisation may be exposed. These risks are categorised and ranked by their likelihood and impact, culminating in a risk register which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

### **Non-charitable Trading**

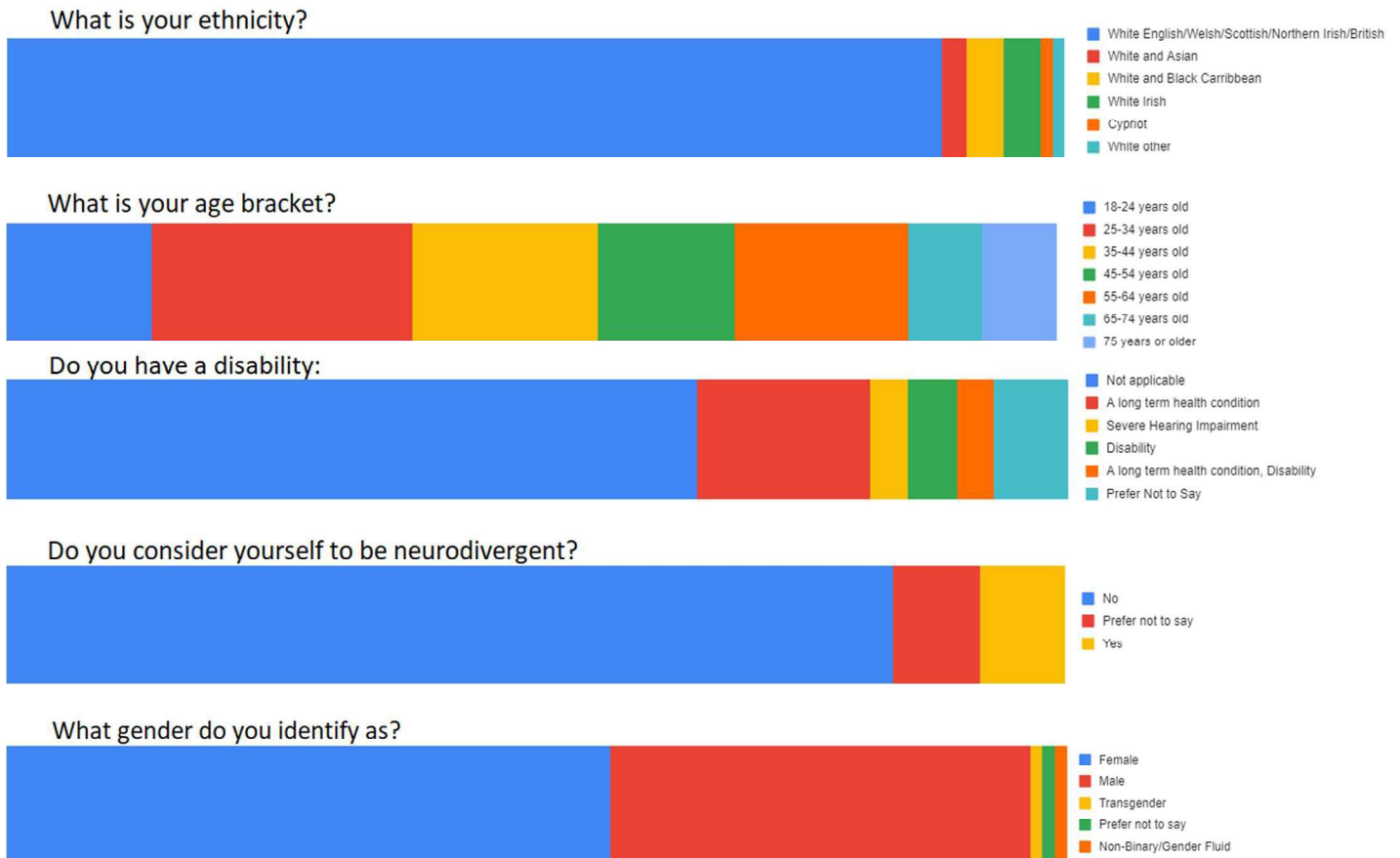
The Charity has a wholly owned trading subsidiary company which was activated during the 2021/22 financial year to carry out activities which do not directly further the CIO's charitable purposes, but which will raise funds for the CIO (including Bars/Kiosks/Venue Hire and Retail).

The Trading Subsidiary (Worthing Theatres & Museum (Trading) Limited) has its own Board of Directors comprising of Charity Board Trustees and separate independent Directors. The Trading Subsidiary accounts form part of the consolidated figures.

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For the year ended 31<sup>st</sup> March 2022**

**Our Team's Equality, Diversity and Inclusion**

WTM is committed to developing as an inclusive organisation. We are already signed up to the Disability Confident Committed scheme, which supports employers to make the most of the talents disabled people can bring to the organisation. We have established a blind recruitment process. We hope to progress to the next level and also to sign up to the Mental Health Commitment with Mind in 2022. Below are some charts of the current workforce which includes Contracted and Casual Staff as well as Trustees and Volunteers:



**Employee Engagement**

The Executive Management Team seeks to involve all employees, including casual staff and volunteers, in the work of the organisation, holding monthly surgeries and regular team meetings. This year the staff were sent a wellbeing survey and an action plan will be implemented in 2022/23.

## **Plans for Future Periods**

The Trustees remain committed to delivering the vision, mission and values as outlined above and within the organisation's business plan. Worthing Borough Council remains committed to WTM and we are working in partnership on the redevelopment of the Museum, the target to be carbon neutral by 2030 and a shared priority to increase the offer for young people.

We are seeing our audiences return, particularly for music and comedy, but do need to pay particular attention to our theatre and film audiences who are not yet back to pre-pandemic numbers. Quality work is now available across all genres which will support the re-engagement with our communities.

WTM will be extending our programme of participatory work, adding to our successful workshops for children and families with a series of full day art & craft workshops for adults and week-long summer schools for young people. This work will increase creative opportunities for our communities and create work for local artists and makers.

We look forward to improving access across our venues and organisation including the creation of more space for customers who are wheelchair users and an accessible backstage dressing room and bathroom.

We hope for a successful outcome from our Expression of Interest to the National Lottery Heritage Fund for the Let the Light In project, allowing us to submit a full application to redevelop the Museum.

Finally, we await the outcome of our Arts Council England NPO (National Portfolio Organisation) bid and hope to secure long term funding, to provide an even more diverse and exciting programme and engaging an even wider spectrum of our community.

Although we expect 2022/23 to be a challenging year, we are excited to be moving these projects forward.

**WORTHING THEATRES AND MUSEUM  
TRUSTEES' REPORT  
For the year ended 31<sup>st</sup> March 2022**

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## **Statement of Trustees' responsibilities**

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP (FRS 102).
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Disclosure of Information to Auditors**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## **Auditors**

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 27<sup>th</sup> July 2022 and signed on their behalf by:



.....  
**P M Cadwallader**  
Chair of Trustees

**WORTHING THEATRES AND MUSEUM  
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
WORTHING THEATRES AND MUSEUM**

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## **Opinion**

We have audited the financial statements of Worthing Theatres and Museum for the year ended 31<sup>st</sup> March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the charity balance sheet, the Consolidated Statement of Cash Flows 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 group's and of the parent charity's affairs as at 31<sup>st</sup> March 2022 and of the group's net movement in funds for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Basis for Opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions Relating to Going Concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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.

**WORTHING THEATRES AND MUSEUM  
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
WORTHING THEATRES AND MUSEUM**

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### **Other Information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, the Chair's statement, and the Executive Team Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on Which we are Required to Report by Exception**

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

- adequate accounting records have not been kept by the parent] charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees for the Financial Statements**

As explained more fully in the Trustees' responsibilities statement set out on page 25 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-

**WORTHING THEATRES AND MUSEUM  
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
WORTHING THEATRES AND MUSEUM**

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compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to year end cut off and journal postings. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

A further description of our responsibilities 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 auditor's report.

**Use of Our Report**

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Haysmacintyre LLP, Statutory Auditor**

**10 Queen Street Place  
London  
EC4R 1AG**

11 August 2022

**Date:** .....

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

**WORTHING THEATRES AND MUSEUM  
SUMMARY INCOME & EXPENDITURE REPORT  
NOT FORMING PART OF THE STATUTORY ACCOUNTS  
for the year ended 31st March 2022**

	2022 £	2021 £
<b>Income from:</b>		
Donations and legacies	734,337	1,230,970
Charitable activities	3,021,588	1,544,685
Other trading activities	588,460	51,416
Investments	1,940	1,899
<b>Total income</b>	<b>4,346,325</b>	<b>2,828,970</b>
<b>Less: expenditure on</b>		
Raising funds	1,163,155	462,929
Charitable activities	2,620,707	1,861,540
<b>Total expenditure</b>	<b>3,783,862</b>	<b>2,324,469</b>
Less:		
Other non-operating items	211	(4,999)
Movement on restricted funds	1,819	1,379
Arts Council funding to reflate reserves	(131,181)	-
Transfer to designated funds	(416,473)	(462,420)
<b>Operating surplus</b>	<b>16,839</b>	<b>38,461</b>
<b>Adjustment for Local Government Pension Scheme (LGPS) valuation</b>		
Actuarial gains/(losses)	80,000	(399,000)
In year costs	(219,000)	(94,606)
<b>Total adjustment for Local Government Pension Scheme (LGPS) valuation</b>	<b>(139,000)</b>	<b>(493,606)</b>
Add back:		
Other non-operating items	(211)	4,999
Movement on restricted funds	(1,819)	(1,379)
Arts Council funding to reflate reserves	131,181	-
Transfer to designated funds*	416,473	462,420
<b>Net movement in funds</b>	<b>423,463</b>	<b>10,895</b>

**\*£377,358 net movements to designated funds plus £39,115 capitalised fixed assets funded by restricted grants**

**WORTHING THEATRES AND MUSEUM**  
**GROUP STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating the Group Income and Expenditure Account and  
Statement of Total Recognised Gains and Losses)  
for the year ended 31<sup>st</sup> March 2022

	Note	Unrestricted funds	Restricted funds	Total 2022	Total 2021*
<b>Income from</b>					
Donations and grants	3	472,103	262,234	734,337	1,230,970
Charitable activities	4	3,021,588	-	3,021,588	1,544,685
Trading activities	5	588,460	-	588,460	51,416
Investments	6	1,940	-	1,940	1,899
<b>Total income</b>		<u>4,084,091</u>	<u>262,234</u>	<u>4,346,325</u>	<u>2,828,970</u>
<b>Expenditure on</b>					
Raising funds	13	1,164,872	-	1,164,872	549,538
Charitable activities	7	2,568,510	269,480	2,837,990	1,869,537
<b>Total expenditure</b>		<u>3,733,382</u>	<u>269,480</u>	<u>4,002,862</u>	<u>2,419,075</u>
<b>Net income</b>		<u>350,709</u>	<u>(7,246)</u>	<u>343,463</u>	<u>409,895</u>
Transfers between funds		(9,065)	9,065	-	-
Actuarial (losses)/gains on defined benefit pension schemes		80,000	-	80,000	(399,000)
<b>Net movement in funds</b>		<u>421,644</u>	<u>1,819</u>	<u>423,463</u>	<u>10,895</u>
<b>TOTAL FUNDS AT 1 APRIL 2021</b>	18	<u>39,929</u>	<u>6,015</u>	<u>45,944</u>	<u>35,049</u>
<b>TOTAL FUNDS AT 31 MARCH 2022</b>	18	<u>461,573</u>	<u>7,834</u>	<u>469,407</u>	<u>45,944</u>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations.

\*A breakdown of these comparative figures is shown on page 53

The notes on pages 36 to 54 form part of these financial statements.

**WORTHING THEATRES AND MUSEUM**  
**Charity Registered Number 1185189**  
**GROUP BALANCE SHEET**  
**at 31st March 2022**

	Note	2022	2021
<b>FIXED ASSETS</b>			
Tangible assets	14	267,089	191,108
<b>CURRENT ASSETS</b>			
Stock		36,217	17,158
Debtors	15	174,298	191,243
Cash at bank and in hand		3,201,741	2,821,342
		3,412,256	3,029,743
CREDITORS: Amounts falling due within one year	16	(2,177,438)	(2,235,574)
		1,234,818	794,169
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year		(187,500)	(233,333)
		1,314,407	751,944
<b>NET ASSETS excluding pension liability</b>	18	1,314,407	751,944
Defined benefit pension scheme liability		(845,000)	(706,000)
		469,407	45,944
<b>ACCUMULATED FUNDS</b>			
<b>Restricted funds</b>	18	7,834	6,015
<b>Unrestricted funds</b>			
General funds	18	262,568	119,557
Designated funds	18	1,044,005	626,372
Pension reserve		(845,000)	(706,000)
		469,407	45,944
<b>TOTAL FUNDS</b>		469,407	45,944

The financial statements were approved by the board of Trustees on 27<sup>th</sup> July 2022 and signed on its behalf by:

**Peter Cadwallader (Chair)**



The notes on pages 36 to 54 form part of these financial statements.

**WORTHING THEATRES AND MUSEUM**  
**Charity Registered Number 1185189**  
**CHARITY BALANCE SHEET**  
**at 31<sup>st</sup> March 2022**

	Note	2022	2021
<b>FIXED ASSETS</b>			
Tangible assets	14	267,089	191,108
<b>CURRENT ASSETS</b>			
Stock		-	17,158
Debtors	15	247,887	191,243
Cash at bank and in hand		3,050,244	2,821,342
		3,298,131	3,029,743
CREDITORS: Amounts falling due within one year	16	(2,063,312)	(2,235,574)
		1,234,819	794,169
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
CREDITORS: Amounts falling after more than one year		(187,500)	(233,333)
		1,314,408	751,944
<b>NET ASSETS excluding pension liability</b>	18	1,314,408	751,944
Defined benefit pension scheme liability		(845,000)	(706,000)
		469,408	45,944
<b>ACCUMULATED FUNDS</b>			
<b>Restricted funds</b>	18	7,834	6,015
<b>Unrestricted funds</b>			
General funds	18	262,569	119,557
Designated funds	18	1,044,005	626,372
Pension reserve		(845,000)	(706,000)
		469,408	45,944
<b>TOTAL FUNDS</b>		469,408	45,944

The financial statements were approved by the board of Trustees on 27<sup>th</sup> July 2022 and signed on its behalf by:

**Peter Cadwallader (Chair)** 

The notes on pages 34 to 53 form part of these financial statements.

**WORTHING THEATRES AND MUSEUM  
GROUP STATEMENT OF CASH FLOWS  
for the year ended 31<sup>st</sup> March 2022**

	Note	2022	2021
<b>Net cash provided by/ (used in) operating activities</b>	A	482,429	1,767,427
<b>Cash flows from investing activities:</b>			
Interest from investments		(1,940)	1,899
Purchase of tangible fixed assets		(100,090)	(191,515)
<b>Net cash provided by/ (used in) investing activities</b>		(102,030)	(189,616)
<b>New borrowings</b>		-	250,000
Change in cash and cash equivalents in the reporting period		380,399	1,827,811
Cash and cash equivalents at the beginning of the year		2,821,342	993,531
<b>Cash and cash equivalents</b>		3,201,741	2,821,342

**A: Reconciliation of net movement in funds to net cash flow from operating activities**

	2022	2021
Net income / (expenditure)	423,463	10,895
Depreciation charges	24,109	407
Interest from investments	1,940	(1,899)
Decrease/(increase) in Stock	(19,059)	1,912
Decrease/(increase) in debtors	16,945	(27,778)
Increase/(decrease) in creditors	(103,969)	1,290,284
Increase/(decrease) in LGPS liability	139,000	493,606
<b>Net cash used in operating activities</b>	482,429	1,767,427

**B. Analysis of changes in net debt**

	At 31 March 2021	Cash flows	At 31 March 2022
Cash	2,821,342	380,399	3,201,741

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

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**1. GENERAL INFORMATION**

Worthing Theatres and Museum is a Charitable Incorporated Organisation. The registered principal office is Connaught Theatre, Union Place, Worthing, BN11 1LG. Consolidated accounts have not been produced as its wholly owned subsidiary, Worthing Theatres and Museum (Trading) Limited is dormant. Please note that comparative figures are for the period from registration on 5<sup>th</sup> September 2019 to 31<sup>st</sup> March 2020 (of which the Charity was operational for a five-month period between 1<sup>st</sup> November 2020 and 31<sup>st</sup> March 2021 and therefore the figures are described as being for a period of five months to reflect the underlying substance of the figures presented).

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements 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<sup>st</sup> January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1<sup>st</sup> April 2005 which has since been withdrawn.

Worthing Theatres and Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The financial statements have been prepared on a going concern basis. The trustees recognise that there are many uncertainties due to COVID-19 which will affect the Charity.

The trustees have considered the level of funds held, the expected level of income and expenditure and the cashflow for 12 months following the authorising of these financial statements and believe the charity is able to continue as a going concern.

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

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On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

#### **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

#### **2.5 Government grants**

Government grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

#### **2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

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**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings and equipment: 7 - 10 years

**2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 Pensions**

The Charity operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. The Charity also operates a defined benefit pension scheme, and the pension charge is based on a full actuarial valuation of the year end liability.

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

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**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**2.12 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates and assumptions: The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2022

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	£	£	£	£	£	£
Donations	25,104	-	25,104	35,786	-	35,786
Grant Income	131,081	262,234	393,315	153,695	-	153,695
Government Grants	315,918	-	315,918	1,041,489	-	1,041,489
	<u>472,103</u>	<u>262,234</u>	<u>734,337</u>	<u>1,230,970</u>	<u>-</u>	<u>1,230,970</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2022</b>	<b>2021</b>
	£	£
Live Events	1,282,536	52,997
Film	243,338	30,606
Museum	10,899	1,072
Educational	6,915	-
Service Fee	1,477,900	1,460,010
	<u>3,021,588</u>	<u>1,544,685</u>

*All income from charitable activities in 2022 and 2021 was unrestricted.*

**5. TRADING INCOME**

	<b>2022</b>	<b>2021</b>
	£	£
Venue Hire and Rental	154,471	25,650
Retail	15,870	1,257
Bar and Catering	283,511	12,138
Other	134,608	12,371
	<u>561,207</u>	<u>51,416</u>

*All trading income in 2022 and 2021 was unrestricted.*

WORTHING THEATRES AND MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2022

**6. INVESTMENT INCOME**

	<b>2022</b>	<b>2021</b>
	£	£
Interest receivable	1,940	1,899
	<u>1,940</u>	<u>1,899</u>

*All investment income in 2022 and 2021 was unrestricted.*

**7. EXPENDITURE ON RAISING FUNDS**

	<b>2022</b>	<b>2021</b>
	£	£
Direct costs	127,582	8,318
Staff costs	165,086	311,423
Support costs	870,487	143,191
LGPS Pension adjustment	1,717	86,606
	<u>1,164,872</u>	<u>549,538</u>

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

	<b>Direct costs</b>	<b>Support costs</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
Live Events	967,537	648,284	1,615,821	1,180,775
Film	237,894	570,398	808,292	285,476
Museum	197,923	187,842	385,765	403,286
Education	14,367	13,745	28,112	-
	<u>1,416,339</u>	<u>1,409,392</u>	<u>2,825,731</u>	<u>1,869,537</u>

	<b>Direct costs</b>	<b>Support costs</b>	<b>2021</b>
	£	£	£
Live Events	80,465	1,100,310	1,180,775
Film	20,884	264,592	285,476
Museum	138,694	264,592	403,286
	<u>240,043</u>	<u>1,629,494</u>	<u>1,869,537</u>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2022

**9. ANALYSIS OF DIRECT COSTS**

	<b>Live</b>					
	<b>Events</b>	<b>Film</b>	<b>Museum</b>	<b>Education</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£	£	£
LGPS Pension adjustment	14,423	11,373	23,452	1,111	50,359	8,000
Staff costs	141,891	110,353	130,452	11,013	393,709	109,483
Equipment	-	-	2,080	-	2,080	605
Insurance	-	-	17,778	-	17,778	18,183
IT	-	-	1,977	-	1,977	2,259
Premises costs	-	-	722	-	722	21,588
Professional fees	-	-	20	-	20	147
Marketing	-	-	-	-	-	2,630
Other	43,229	7,296	10,697	2,243	63,465	487
Rates	-	-	3,850	-	3,850	1,925
Repairs and Maintenance	-	-	6,895	-	6,895	4,874
Artist fees	761,706	-	-	-	761,706	31,447
Production costs	6,288	19,795	-	-	26,083	31,492
Film Rental	-	89,077	-	-	89,077	6,923
	<u>967,537</u>	<u>237,894</u>	<u>197,923</u>	<u>14,367</u>	<u>1,417,721</u>	<u>240,043</u>

	<b>Live</b>			
	<b>Events</b>	<b>Film</b>	<b>Museum</b>	<b>2021</b>
	£	£	£	£
Pension finance costs	8,000	-	-	8,000
Staff costs	20,608	-	88,875	109,483
Equipment	-	-	605	605
Insurance	-	-	18,183	18,183
IT	-	249	2,010	2,259
Premises costs	-	-	21,588	21,588
Professional fees	-	-	147	147
Marketing	2,630	-	-	2,630
Other	-	-	487	487
Rates	-	-	1,925	1,925
Repairs and Maintenance	-	-	4,874	4,874
Artist fees	31,447	-	-	31,447
Production costs	17,780	13,712	-	31,492
Film Rental	-	6,923	-	6,923
	<u>80,465</u>	<u>20,884</u>	<u>138,694</u>	<u>240,043</u>

**WORTHING THEATRES AND MUSEUM  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2022**

**10. ANALYSIS OF SUPPORT COSTS**

	<b>2022</b>	<b>2021</b>
Support costs consist of the following:	£	£
Bank charges	30,755	5,991
Equipment	58,394	97,709
Insurance	329	42,146
IT	142,069	81,605
Premises costs	185,662	43,487
Professional fees	71,626	34,102
Marketing	154,093	49,138
Other	261,045	16,460
Printing, Postage and Stationery	4,643	3,945
Rates	11,153	6,942
Repairs and Maintenance	79,285	70,347
Training	20,969	2,725
Travel	3,084	739
Other Staff costs	7,394	(671)
Governance costs	27,492	27,258
Depreciation	24,109	407
Wages	1,208,654	1,147,164
	<u>2,290,756</u>	<u>1,629,494</u>

**11. NET MOVEMENT IN FUNDS**

	<b>2022</b>	<b>2021</b>
This is stated after charging:	£	£
Auditors' remuneration: audit	21,500	16,500
Auditors' remuneration: non-audit fees	4,250	2,500
Depreciation of owned fixed assets	24,109	407
	<u>24,109</u>	<u>407</u>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

**12. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	£	£
Wages and salaries	1,385,432	1,340,714
Social security costs	92,254	77,095
Other pension costs	339,826	236,867
	<u>1,817,512</u>	<u>1,654,676</u>

The average monthly number of employees (headcount) during the period was as follows:

	<b>2022</b>	<b>2021</b>
	Number	Number
Senior Managers	6	5
Other Staff	45	45
Casual Staff	28	6
	<u>79</u>	<u>56</u>

No remuneration was paid during the period to any member of the Board of Trustees (2021: £Nil).

One Trustee was reimbursed travel expenses totalling £66.60 during the year (2021: none).

One employee received remuneration in the band £70,000 - £80,000 during the year (2021: 1)

Included in the above is expenditure on redundancy and termination payments of £4,444 (2021: £65,358)

	£	£
Total remuneration of key management personnel	<u>427,833</u>	<u>215,775</u>

**WORTHING THEATRES AND MUSEUM  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2022**

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**13. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY**

	Worthing Theatres & Museum (Trading) Limited		
Subsidiary name			
Company registration number	12296105		
Basis of control	Ordinary shares		
Equity shareholding %	100%		
		<b>2022</b>	<b>2021</b>
		£	£
Turnover		391,698	-
Expenditure		(391,698)	-
		<u>          </u>	<u>          </u>
Profit on ordinary activities after taxation		-	-
		<u>          </u>	<u>          </u>
Total assets as at 31 <sup>st</sup> March 2022		213,431	-
Total liabilities as at 31 <sup>st</sup> March 2022		(213,432)	-
Capital and reserves		<u>          </u> 1	<u>          </u> -

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2022

**14. TANGIBLE FIXED ASSETS**  
*Group and Charity*

	<b>Fixtures and fittings</b>	<b>Total</b>
	£	£
<b>Cost:</b>		
At 1 April 2021	191,515	191,515
Additions	100,090	100,090
	<hr/>	<hr/>
At 31 March 2022	291,605	291,605
	<hr/>	<hr/>
<b>Depreciation:</b>		
At 1 April 2021	407	407
Provided during the year	24,109	24,109
	<hr/>	<hr/>
At 31 March 2022	24,516	24,516
	<hr/>	<hr/>
<b>Net book value:</b>		
At 31 March 2022	267,089	267,089
	<hr/> <hr/>	<hr/> <hr/>
At 1 April 2021	191,108	191,108
	<hr/> <hr/>	<hr/> <hr/>

**15. Stock**

	<b>Group</b>		<b>Charity</b>	
	2022	2021	2022	2021
	£	£	£	£
Catering Stock	36,217	17,158	-	17,158
	<hr/>	<hr/>	<hr/>	<hr/>
	36,217	17,158	-	17,158
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

**16. DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
Trade Debtors	18,292	-	-	-
Other Debtors	40,402	46,724	37,423	46,724
Prepayments	38,362	100,377	38,362	100,377
Accrued Income	77,242	44,142	72,796	44,142
Intercompany	-	-	99,306	-
	<u>174,298</u>	<u>191,243</u>	<u>247,887</u>	<u>191,243</u>

**17. CREDITORS: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
Trade Creditors	329,014	410,251	281,129	410,251
Loan 1yr	50,000	16,667	50,000	16,667
Other tax and social security	96,829	170,149	80,281	170,149
Other Creditors	153,602	121,426	119,159	121,426
Accruals	211,629	197,870	211,629	197,870
Deferred income	1,336,364	1,319,211	1,321,114	1,319,211
	<u>2,177,438</u>	<u>2,235,574</u>	<u>2,063,312</u>	<u>2,235,574</u>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
Deferred income at 1 April 2021	1,319,211	540,809	1,319,211	540,809
Resources deferred during the year	1,336,364	1,083,742	(1,336,364)	1,083,742
Amounts released from previous periods	(1,319,211)	(235,479)	1,319,211	(235,479)
	<u>1,336,364</u>	<u>1,319,211</u>	<u>1,321,114</u>	<u>1,319,211</u>

Deferred income is made up of Advance Ticket income, prepaid elements of the Council Service Fee, Gift Vouchers, Prepaid Venue Hire, deferred Grants and Prepaid Friends Membership.

Advance Ticket income includes all ticket income received for shows after the 31<sup>st</sup> March 2022 and no adjustment has been made for refunds, cancellations or postponement of shows made after this date.

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

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**18. CREDITORS: amounts falling due after one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
CBILS Loan	187,500	233,333	187,500	233,333
	<u>187,500</u>	<u>233,333</u>	<u>187,500</u>	<u>233,333</u>

Included within the above are amounts falling due as follows:

Between one and two years	50,000	50,000	50,000	50,000
Between two and five years	137,500	150,000	137,500	150,000
Between two and five years	-	33,333	-	33,333
	<u>187,500</u>	<u>233,333</u>	<u>187,500</u>	<u>233,333</u>
	<u>187,500</u>	<u>233,333</u>	<u>187,500</u>	<u>233,333</u>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2022

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2022 £</b>	<b>Designated funds 2022 £</b>	<b>Pension funds 2,022 £</b>	<b>Restricted fund 2022 £</b>	<b>Total 2022 £</b>
<b>Group</b>					
Fixed assets	-	267,089	-	-	267,089
Current assets	2,627,506	776,916	-	7,834	3,412,256
Current liabilities	(2,177,438)	-	-	-	(2,177,438)
Non-current liabilities	(187,500)	-	-	-	(187,500)
Pension liability	-	-	(845,000)	-	(845,000)
	<u>262,568</u>	<u>1,044,005</u>	<u>(845,000)</u>	<u>7,834</u>	<u>469,407</u>
<b>Charity</b>					
Fixed assets	-	267,089	-	-	267,089
Current assets	2,513,381	776,916	-	7,834	3,298,131
Current liabilities	(2,063,312)	-	-	-	(2,063,312)
Non-current liabilities	(187,500)	-	-	-	(187,500)
Pension liability	-	-	(845,000)	-	(845,000)
	<u>262,569</u>	<u>1,044,005</u>	<u>(845,000)</u>	<u>7,834</u>	<u>469,408</u>
	<b>Unrestricted funds 2021 £</b>	<b>Designated funds 2021 £</b>	<b>Pension funds 2,021 £</b>	<b>Restricted fund 2022 £</b>	<b>Total 2022 £</b>
<b>Charity</b>					
Fixed assets	-	191,108	-	-	191,108
Current assets	2,588,464	435,264	-	6,015	3,029,743
Current liabilities	(2,235,574)	-	-	-	(2,235,574)
Non-current liabilities	(233,333)	-	-	-	(233,333)
Pension liability	-	-	(706,000)	-	(706,000)
	<u>119,557</u>	<u>626,372</u>	<u>(706,000)</u>	<u>6,015</u>	<u>45,944</u>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2022

**20. STATEMENT OF FUNDS**

Group	At 1 April 2021	Income	Expenditure	Transfers, Gains and Losses	At 31 March 2022
<b>Restricted funds</b>					
Ace	-	196,398	(195,613)	(785)	-
Museum Donation	150	-	-	(150)	-
ACE COVID-19	166	-	(166)	-	-
BFI Grant	4,214	1,053	(671)	-	4,596
Google Ads	-	22,008	(22,008)	-	-
Royal Pavilion and Museums Trust	991	1,200	(1,779)	-	412
Theatres Trust	494	-	(494)	-	-
Institute of Conservations Grant	-	2,080	(2,080)	-	-
Kickstart Grant	-	7,735	(4,909)	-	2,826
Love Through Double Glazing WBC contribution	-	-	(5,000)	5,000	-
Spinout	-	31,760	(36,760)	5,000	-
	<u>6,015</u>	<u>262,234</u>	<u>(269,480)</u>	<u>9,065</u>	<u>7,834</u>
<b>Designated Funds</b>					
COVID-19	150,000	-	-	(150,000)	-
Insurance Claim	12,000	-	-	-	12,000
Capital Restoration	99,264	-	-	103,707	202,971
New Equipment	92,000	-	-	(17,200)	74,800
HR	12,000	-	-	-	12,000
Pension Shortfall	20,000	-	-	-	20,000
Maintenance	50,000	-	-	-	50,000
Fixed Asset	191,108	-	-	75,981	267,089
Ticket Income	-	-	-	115,000	115,000
Theatre Seating	-	-	-	136,000	136,000
Buildings Improvements Reserve	-	-	-	70,000	70,000
Match Funding for Creative Projects	-	-	(5,000)	5,000	-
Match Funding Reserves for Theatre Seating	-	-	-	30,000	30,000
Museum Collection Cases Reserve	-	-	-	3,200	3,200
Museum Retail Cases Reserve	-	-	-	10,000	10,000
Museum Roof Lighting Reserve	-	-	-	4,000	4,000
Spin Out 2022 Reserve	-	6,160	-	16,550	22,710
We are Here 2022 Reserve	-	-	-	13,450	13,450
Ringfenced CRF#3 Staff costs for 22/23	-	-	-	785	785
	<u>626,372</u>	<u>6,160</u>	<u>(5,000)</u>	<u>416,473</u>	<u>1,044,005</u>
Pension reserve	(706,000)	-	(219,000)	80,000	(845,000)
Free reserves	119,557	4,077,931	(3,509,382)	(425,538)	262,568
General Funds	<u>39,929</u>	<u>4,084,091</u>	<u>(3,733,382)</u>	<u>70,935</u>	<u>461,573</u>
<b>TOTAL Funds</b>	<u><u>45,944</u></u>	<u><u>4,346,325</u></u>	<u><u>(4,002,862)</u></u>	<u><u>80,000</u></u>	<u><u>469,407</u></u>

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

The majority of funds are earmarked to be spent in in 22/23 (including the Theatre Seating Reserve of £115K) with the exception of the Capital Restoration Levy Reserve of £203K which will be for long term buildings works and/or furniture/equipment, and the Fixed Asset Depreciation Reserve (£267K) which will cover depreciation of fixed assets over 7-10 years.

**20. STATEMENT OF FUNDS – Comparative Statement**

<b>Group</b>	<b>At 1 April 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers, Gains and losses</b>	<b>At 31 March 2021</b>
<b>Restricted Funds</b>					
WTM - The Next Chapter	7,244	1,318	(2,487)	(6,075)	-
Restricted Museum Donation	150	-	-	-	150
ACE COVID-19 Emergency Funding Grant	-	29,209	(29,043)	-	166
BFI/ICO Grant	-	4,214	-	-	4,214
Google Ads Grants	-	2,630	(2,630)	-	-
Royal Pavilion and Museums Trust	-	991	-	-	991
Theatres Trust - Reopening Grant	-	1,834	(1,340)	-	494
	<u>7,394</u>	<u>40,196</u>	<u>(35,500)</u>	<u>(6,075)</u>	<u>6,015</u>
<b>Designated Funds</b>					
COVID-19	60,000	-	-	90,000	150,000
Insurance Claim	12,000	-	-	-	12,000
Capital Restoration	91,952	-	-	7,312	99,264
New Equipment	-	-	-	92,000	92,000
HR	-	-	-	12,000	12,000
Pension Shortfall	-	-	-	20,000	20,000
Maintenance	-	-	-	50,000	50,000
Fixed Assets	-	-	-	191,108	191,108
	<u>163,952</u>	<u>-</u>	<u>-</u>	<u>462,420</u>	<u>626,372</u>
Pension reserve	(212,394)	-	(94,606)	(399,000)	(706,000)
Free reserves	76,097	2,788,774	(2,288,969)	(456,345)	119,557
General Funds	<u>27,655</u>	<u>2,788,774</u>	<u>(2,383,575)</u>	<u>(392,925)</u>	<u>39,929</u>
<b>TOTAL Funds</b>	<u><u>35,049</u></u>	<u><u>2,828,970</u></u>	<u><u>(2,419,075)</u></u>	<u><u>(399,000)</u></u>	<u><u>45,944</u></u>

**WORTHING THEATRES AND MUSEUM  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended  
31<sup>st</sup> March 2022**

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**21. PENSION COMMITMENTS**

**People's Pension Scheme**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £7,475 (2021: £15,301). Contributions totalling £5,147 (2021: £2,363) were payable to the fund at the balance sheet date and are included in creditors.

**LGPS Scheme**

Some of the charity's employees belong to a Local Government Pension Schemes (LGPS) which is a multi-employer defined benefit scheme. The LGPS scheme is managed by the Borough Council of Worthing Pension Fund.

The latest actuarial valuation of the LGPS related to the period ended 31<sup>st</sup> March 2019.

No contributions were payable to the schemes at 31<sup>st</sup> March 2022 (2021: £Nil).

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31<sup>st</sup> March 2022 was £169k (2021: £148k).

<b>Principal actuarial assumptions</b>	<b>2022</b>	<b>2021</b>
Rate of increase in salaries	3.65%	1.50%
Discount rate for scheme liabilities	2.75%	2.10%
Rate of increase in pension in payment	3.15%	2.75%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	<b>2022</b>	<b>2021</b>
Retiring today		
Males	21.9	23.1
Females	24.2	24.4
Retiring in 20 years		
Males	24.2	23.1
Females	25.9	26.1

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2022**

The charity's share of the assets in the schemes were:

	<b>2022</b>	<b>2021</b>
	£ '000	£ '000
Equities	1,292	750
Property	387	141
Bonds	878	609
Cash	26	62
Total market value of assets	<u>2,583</u>	<u>1,562</u>

The actual return on scheme assets was (7K) (2021: £471k)

**Amount recognised in the Statement of Financial Activities**

	<b>2022</b>	<b>2021</b>
	£ '000	£ '000
Service cost less contributions	202	87
Net interest cost	17	8
	<u>219</u>	<u>95</u>

**Changes in the present value of defined benefit obligations were as follows:**

	<b>2022</b>	<b>2021</b>
	£ '000	£ '000
<b>At 1<sup>st</sup> April</b>		
Opening defined benefit obligation	3,094	1,914
Interest cost	69	8
Employee contributions	49	78
Benefit paid		40
Actuarial (gain)/loss	155	819
Past service cost	3	5
Current service cost	368	230
<b>At 31<sup>st</sup> March</b>	<u>3,428</u>	<u>3,094</u>

**WORTHING THEATRES AND MUSEUM  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31<sup>st</sup> March 2022**

Changes in the fair value of academy trust's share of scheme assets:	<b>2022</b>	<b>2021</b>
	£ '000	£ '000
<b>At 1<sup>st</sup> April</b>		
Opening fair value of scheme assets	2,388	1,702
Employee contributions	49	78
Employer contributions	169	148
Interest income	52	40
Actuarial gain/(loss)	75	420
<b>At 31<sup>st</sup> March</b>	<u>2,583</u>	<u>2,388</u>
At the year end the scheme was in the following position		
	<b>2022</b>	<b>2021</b>
	£ '000	£ '000
Pension Fund	<u>(845)</u>	<u>(706)</u>

## 22. Related Party Transactions

During the year the charity recharged its wholly owned subsidiary, Worthing Theatres and Museum (Trading) Limited £174,295 (2021: Nil) for services and management charge. At the year-end Worthing Theatres and Museum (Trading) Limited owed the charity £99,306 (2021: Nil)

There were no other related party transactions.

**WORTHING THEATRES AND MUSEUM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31<sup>st</sup> March 2022

**23. Detailed Comparative Statement of Financial Activity**

This is a breakdown by fund of the items shown in the Statement of Financial Activities on page 30

	Note	Unrestricted funds	Restricted funds	Total 2021
<b>Income from</b>				
Donations and grants	3	1,190,774	40,196	1,230,970
Charitable activities	4	1,544,685	-	1,544,685
Trading activities	5	51,416	-	51,416
Investments	6	1,899	-	1,899
<b>Total income</b>		<u>2,788,774</u>	<u>40,196</u>	<u>2,828,970</u>
<b>Expenditure on</b>				
Raising funds	13	549,538	-	549,538
Charitable activities	7	1,834,037	35,500	1,869,537
<b>Total expenditure</b>		<u>2,383,575</u>	<u>35,500</u>	<u>2,419,075</u>
<b>Net income</b>		<u>405,199</u>	<u>4,696</u>	<u>409,895</u>
Transfers between funds		(6,075)	6,075	-
Actuarial (losses)/gains on defined benefit pension schemes		(399,000)	-	(399,000)
<b>Net movement in funds</b>		<u>12,274</u>	<u>(1,379)</u>	<u>10,895</u>
<b>TOTAL FUNDS AT 1<sup>st</sup> APRIL 2021</b>	18	<u>27,655</u>	<u>7,394</u>	<u>35,049</u>
<b>TOTAL FUNDS AT 31<sup>st</sup> MARCH 2022</b>	18	<u>39,929</u>	<u>6,015</u>	<u>45,944</u>

**WORTHING THEATRES & MUSEUM**

England & Wales - Charity number 1185189

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# Accounts

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**WORTHING THEATRES AND MUSEUM**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**WORTHING THEATRES AND MUSEUM**

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## WORTHING THEATRES AND MUSEUM

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

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**Trustees**

P M Cadwallader, Chair  
S B Marshall, Vice Chair  
Dr J D Broomfield (appointed 9 July 2020)  
L Burgess  
A S Comben  
T P Hague  
J Kapsalis (appointed 1 November 2020)  
C Kelly  
S K Parsonage  
H Persson Swain

**Charity registered number** 1185189

**Principal office** Connaught Theatre  
Union Place  
Worthing  
BN11 1LG

**Secretary** J Stewart

**Independent auditors** Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Bankers** Barclays Bank  
1 Chapel Road  
Worthing  
BN11 1EX

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## WORTHING THEATRES AND MUSEUM

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The Trustees present their annual report together with the audited financial statements of the Charity for the period 1st April 2020 to 31st March 2021. Please note that the prior period comparatives in the report relate to the period from registration on 5th September 2019 to 31st March 2020, although the Charity began activity on 1st November 2020. The activities included in the comparative figures therefore cover only a 5 month period from 1st November 2019 to 31st March 2020 and they have been described as such within the financial statements to reflect the substance of the figures.

#### **Foreword by Peter Cadwallader, Chair**

It is with great pride that we report on the first full year for WTM.

For a charity at the very beginning of its journey, to have achieved so much during a time of unprecedented challenges, fills me with a great sense of hope for everything this organisation can achieve in the future.

The remarkable team at WTM have shown the deepest commitment to ensuring the charity is both viable and sustainable for the future and it is this determination and resilience that will ensure a greater future for the charity in years to come.

We reached more than 120,000 people through our digital, outdoor, live events and creative learning programmes last year – giving our communities the opportunity to continue to experience culture and get creative.

It would simply not be possible to continue our work and reach so many without the support of Worthing Borough Council, Arts Council England, National Heritage Lottery Fund, Department of Culture, Media and Sport, Theatres Trust and BFI. We are immensely grateful for the support of our generous members and all the donations we receive from our audiences. Your support enables us to present an extraordinary arts, heritage and creative learning programme, and the support that allows us to deliver our vision.

We recognise there are still challenges ahead, but there is light at the end of the tunnel, I believe arts and heritage will play an essential role in re-shaping the future of our communities.

#### **Objectives and activities**

##### **a. Policies and objectives**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit and in particular to its supplementary public benefit guidance. The objects of the Charity are:

1. The promotion of arts, particularly but not exclusively, by promoting and facilitating access to performances of theatre and dramatic arts, and other cultural activities.
2. The advancement of education, particularly but not exclusively, in relation to theatre, dramatic arts, and the preservation of important historical collections of decorative arts and clothing within a museum.
3. To promote social inclusion through theatre and dramatic arts, and other cultural activities by preventing people from becoming socially excluded, relieving the needs of people who are socially excluded and assisting them to integrate into society.
4. To provide or assist in the provision of facilities and cultural events in the interests of social welfare and to advance public participation and engagement with arts and culture for recreation or other leisure time occupation by individuals who have need of such facilities by reason of youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Objectives and activities (continued)**

**b. Our Vision**

Enrich people's lives through arts and heritage.

**c. Our Mission**

We will enable everyone to access arts and heritage by creating shared experiences that entertain, educate and inspire.

**d. Our Aims**

Ensure financial success providing best value to the community, guaranteeing the longevity of the organisation.

Surprise and delight our audiences with visionary work of artistic excellence.

Provide aspirational opportunities for young people ensuring the creative voices of the future.

Cultivate creativity, supporting the next generation of artists.

Champion inclusion, curating a diverse programme.

Invest in our teams, making creative thinking the norm.

Drive forward the development of Worthing's experience economy promoting positive place making and civic pride.

**e. Who We Are**

Worthing Theatres and Museum brings the very best theatre, music, dance, exhibitions, film and workshops to our community. Our four theatre venues, cinema and museum and art gallery are all positioned within the heart of the town of Worthing in West Sussex.

**f. What We Do**

Worthing Theatres and Museum produces and presents a unique programme of events across a range of disciplines including theatre, costume, contemporary circus, film, archaeology, dance and fine art. We seek to inspire the whole community and create opportunities for engagement with the arts and heritage. We work with renowned theatre makers, promoters and producers throughout the UK and Europe and founded one of the largest contemporary circus programmes in the UK. We hold the largest costume collection of everyday wear in the UK and notable collections in fine and decorative arts, toys and dolls and archaeology. We offer a range of activities for school and university students, teachers and workshops for families and adults. We want to ensure that everyone has opportunities to get closer to our collections.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Objectives and activities (continued)**

**g. Review of 2020/21, a year of almost unquantifiable challenges, resilience and creative determination.**

The sudden closure of Worthing Theatres and Museum in March 2020, less than five months after we had become an independent charity was devastating for the organisation, for our audiences and for the artists we work with. The whole industry was reeling, we were unable to hold performances, suddenly having to reschedule events and tackle the huge administrative task of refunding thousands of tickets, a third of which were kindly transferred to donations. Just when our communities needed the arts more than ever, our doors were closed and we found ourselves unable to deliver our work and bring people together as we have been doing for so many years. We had to change the way we work, develop new ways of connecting with our audiences, reconsider how we could continue to support artists and companies and crucially what we could do to help our communities through a pandemic.

We put exhibitions online, put on outdoor shows as soon as they were allowed, reopened for film with socially distanced seating and finally opened for live events in October at 30% of capacity. Sadly, after a sold out Christmas show, we had to close again but used this time to make vital improvements to the venues, preparing the Pavilion Atrium for its relaunch, refurbishing the costume gallery, completing technical improvements at the Connaught and Pavilion, redesigning the Museum shop, offering rehearsal space to performers and companies to make new work and preparing a safe environment for our staff, ready for their return later in 2021.

Safety for our customers and staff has been paramount with increased cleaning and regular fogging across the venues, hand sanitizers installed in every foyer, perspex panels at each service point, clear one way systems through the building, socially distanced seating in auditoriums and reduced work stations in all the offices. All staff signed up to the COVID risk assessment and additional COVID training was completed as well as training in health & safety, safeguarding, fire safety awareness, GDPR and manual handling.

WTM took an active role in the community using the venues to support a foodbank, a PPE collection centre, blood donation sessions, a polling station, providing extra teaching space for Brighton MET college and supporting Chichester University Performing Arts students' final practical exams. We supported Worthing Borough Council's COVID-19 communications with clear roadmap messaging on our website and electronic signs in the town.

We took the opportunity to revisit key areas of policy, focusing on diversity and inclusion by developing our Equality and Diversity Policy. All staff completed training on Unconscious Bias, Equality & Diversity and Disability Awareness. We also looked closely at our energy use and sustainability, supporting Worthing Borough Council's initiative to find alternative means of heating the venues in the next four years.

Without the financial support of Worthing Borough Council, Arts Council England, the Government's Culture Recovery Fund and Job Retention Scheme we would not have been able to survive this year. We had to make many difficult decisions over the last twelve months but we are now a leaner organisation with an incredible, creative and resilient team who are led and supported by an exceptional Board of Trustees.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Objectives and activities (continued)**

**h. The Programme of Activities**

Worthing Theatres and Museum launched its first season as an independent charity in early March 2020, a new era and undoubtedly the most vibrant, creative and high quality programme of events ever brought to Worthing. Little did we know that two weeks later we would be closing our doors and having to entirely rethink how we deliver our work. Throughout this challenging year we have been determined to fulfil our mission: to enable everyone to access arts and heritage by creating shared experiences that entertain, educate and inspire.

**Digital programme**

We developed our digital programme of work which included online Museum exhibitions Ladies Paradise, A Walk Round Cissbury Ring and A Strange and Familiar Sea; a creative project pack - Worthing Creates - in conjunction with local artists, makers and creatives; weekly links to online performances such as the National Theatre and Sadler's Wells; online film viewing parties with talks and competitions; a short story competition for young people; and an online celebration of Worthing pantomimes with a host of stars. Unable to hold our biennial exhibition of local artists, Open20, in its usual format, we launched DigitalOpen20 online, inviting the public to vote for their favourite pieces. The public selection formed the DigitalOpen20 exhibition in the Norwood gallery from May 2021.

**Learning and engagement**

We delivered our ground-breaking Cutting Edge project; engaging with Shoreham Academy, Worthing High School and Superstar Arts to identify and source clothing items that had the greatest impact on fashion during the 1980s, 1990s and 2000s to enhance the Museum's nationally recognised costume collection, adding contemporary clothing, shoes, hats and accessories to the existing 30,000 piece archive. Supported by the National Lottery Heritage Fund, Cutting Edge was remodelled to enable it to continue through lockdown. The Cutting Edge project has successfully enriched WTM's costume collection, formed new relationships with creative professionals and strengthened links with our local neurodiverse community.

**Live events programme - outdoor work**

As soon as outdoor work was allowed we presented performances from TRIBE// Dance Company and Dizzy O'Dare outside the Pavilion Theatre, building on the circus and street arts programming that has been so successful over the last five years. We took Mandy Williams' exhibition A Strange and Familiar Sea outdoors into poster frames outside the Pavilion Theatre. We supported the Digital Photographic OPEN21 with an exhibition of young photographers' works displayed in the windows of the Pavilion Theatre.

**Live events programme - indoor work**

We opened the venues at each permitted stage of the government roadmap, putting safety first with a detailed COVID Risk Assessment and strict social distancing. The Connaught Theatre opened first with cinema and a Screen Arts programme including Andre Rieu, Matthew Bourne's The Red Shoes and National Theatre's Fleabag. The Museum opened next with limited, ticketed slots each of which included a bespoke talk focused on elements of our permanent collections - costume, archaeology, and fine art.

In October we opened the Pavilion Theatre for a live comedy season including Patrick Monahan, Geoff Norcott, Mark Watson, Shappi Khorsandi, Jimmy Carr, Robert White and The Noise Next Door. We co-produced a sold-out family theatre show for the Christmas period with Paul Holman Associates which was very well received. We worked in partnership with Colonnade House and Worthing Borough Council to support the Laser Light City in December and lit our theatres in red as part of the Light It Up campaign.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Objectives and activities (continued)**

**Research and development**

An integral focus for WTM this past year has been supporting freelance artists to create new work, despite the challenges of the pandemic. We invited Strong Lady Productions, Acá Theatre, Proteus Theatre, Make Amplify, Conn Artists and Flexer & Sandiland each to spend a week using our spaces to create and develop work as part of our Made in Worthing project.

A year which began with the doors of all of our venues closed ends with a renewed strength and optimism for the future.

**Achievements and performance**

**a. Audience engagement**

Prior to COVID-19 WTM would welcome in excess of 300,000 visitors each year to the Pavilion Theatre, Assembly Hall, Connaught Theatre and Studio and Worthing Museum. We present a wide range of live events across a range of artforms including theatre, dance, contemporary circus, talks, film, exhibitions and participatory work. 2020-21 was a very different year with the venues closed for the majority of the time. Despite the challenges we maintained engagement with our audiences - 8,150 people attended 144 socially distanced live events in our venues; 31,369 people engaged with our digital exhibitions with 7,580 voting on the DigitalOpen20; over 117,000 people engaged with WTM website content. Opening the venues at every point the government allowed had a hugely positive effect on customer confidence.

**b. Our teams**

We were forced to find different ways to operate and quickly adapted to working from home. A particular success was the Box Office team, who successfully set up a remote system within 72 hours of the first closure. This enabled us to reassure our customers by processing their refunds, exchanges and ticket queries in a timely manner, retaining customer loyalty and support. Video calls have become the norm, with teams communicating with each other and external stakeholders in this way daily, enabling us to stay connected and form strong relationships with companies and artists who are bringing work to Worthing. We have also maintained strong relationships with key organisations including Arts Council England, National Lottery Heritage Fund, Brighton Dome & Festival, Arts Marketing Association, Audience Agency, HOUSE, Theatres Trust, Independent Theatre Council, UK Theatres, Jackson's Lane, Circus ChangeUp and South East Dance.

**c. Fundraising**

WTM began its first full financial year as a charity in lockdown, faced with the immediate challenge of raising funds to remain operational. We have been overwhelmed by the generosity of our audiences over the past twelve months, which has included donating the cost of tickets in lieu of refunds and joining our newly launched membership scheme. We launched our first crowdfunding campaign as part of the Theatres Trust #saveourtheatres national campaign, raising £19,234. We were grateful to receive support from Arts Council England's COVID 19 Emergency Fund, as well as the government's Culture Recovery Fund and Culture Recovery Fund Round 2. We also received support from the BFI FAN Exhibition Fund towards maintaining the diversity of our cinema programme despite the challenges of the pandemic, from Theatres Trust towards the safe reopening of our venues and ongoing support from Google Ad Grants.

Thanks to the tireless efforts of the team and the unwavering support of our audiences, donors, members and partners, WTM found alternative ways to bring the arts and heritage to our community despite challenges presented by the pandemic.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Achievements and performance (continued)**

**d. Safety**

WTM have prioritised safety throughout the pandemic, exceeding government COVID-19 guidelines and ensuring our staff receive full training. All staff have signed up to a comprehensive COVID Risk Assessment and a rigorous cleaning programme has been implemented that includes the regular antibacterial fogging of the venues. Industrial sized ceiling fans were reinstated into the Pavilion Theatre ceiling to maximise air circulation and an air movement system will be installed in the Connaught Theatre in July 2021.

**e. Sustainability and environmental achievements**

WTM are committed to helping the environment with sustainable initiatives that underpin our charitable work. To this end WTM and Worthing Borough Council are working together to install a heating system that utilises sewer-heat to heat buildings. WTM have also worked in partnership with Worthing Borough Council to install solar panels on the Assembly Hall. We have replaced 80% of existing lighting with environmentally friendly LED bulbs. With the majority of the staff team working from home, we have seen a move towards becoming a paperless organisation through less printing and the introduction of digital signing of contracts and other documents. The reduction in commuting has resulted in fewer emissions from cars.

**f. Venue Improvements**

2020/21 has provided a unique opportunity for WTM to carry out key improvements to the venues ready for the return of our audiences.

In the Connaught Theatre we removed a faulty access platform and created step free access to the Studio, where we installed a laser projector to replace equipment no longer fit for purpose. We installed new seating, LED lights, carpeting and flooring in Fraser's Bar, fitting improved audio visual equipment and a new PA system and refreshing the area behind the bar itself.

In the Pavilion Theatre we installed new uplighters above pillars to light the dome. In the Pavilion Atrium we restored the floor to its original maple wood, installed new lighting for events and performances, a projector and electric 120" screen, and theatre style seating for 200 people for events and performances.

We removed the existing display cases in the Museum's Costume Gallery, exposing original oak panelling. We restored the parquet flooring and installed new lighting, ensuring the collection can be displayed to its full potential.

**Financial review**

**a. Overview**

2020/21 was a challenging year for the whole cultural industry, forced to close and cancel vast amounts of programming. Our original budget had anticipated income of £3,524,888 from ticket sales, venue hire and secondary spend but with the majority of shows and events cancelled the actual income through these income streams was reduced to just £128,131.

We were extremely grateful to receive support from the Department of Culture, Media and Sport through the Cultural Recovery Fund and Culture Recovery Fund Round 2, as well as COVID-19 Emergency Funding from Arts Council England, enabling us to deliver our work and engage with the community throughout this time. Worthing Borough Council continued their contracted service payment and confirmed that the five year financial agreement will be honoured. We have been overwhelmed by the generosity of our donors, which is testament to the demand for the cultural offering WTM provides.

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## WORTHING THEATRES AND MUSEUM

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### **b. Income and Expenditure**

Our total income for the year was £2,828,970. Our total expenditure for the year was £2,419,075. Of the total expenditure £94,606 relates to adjustments made in relation to the defined benefit pension scheme, leaving remaining expenditure of £2,324,469. After deduction of £462,420 of specifically designated funds relating primarily to capital and Covid matters (see note 22) and small movements in non-operating items and restricted funds we ended up with an operating surplus of £38,461.

We have taken every opportunity to maximise income, including available government grants and discretionary Worthing Borough Council grants relating to the buildings. In addition to the turbulent income pattern caused by lockdowns and social distancing, WTM has maximised savings in expenditure, including making use of the Government Job Retention Scheme for all contracted staff and casual workers. We paused as many expenditure lines as possible and negotiated reductions to ongoing contracts. Sadly we also had to make 25 redundancies and temporarily reduced the hours of a further 38 staff for the majority of the year.

#### **c. Cash at bank**

We continue to benefit from a healthy cash at bank position of £2.8million. It is worth noting that much of this balance consists of regular liabilities including 6 months advanced payments of our Council Service Fee (£744K) and a healthy advanced ticket and customer account/unredeemed gift voucher balance (£515K). In addition we have an exceptional business interruption loan (£250K), taken out as a precautionary measure to safeguard against further losses due to the pandemic.

#### **d. Fundraising**

With our ability to earn income dramatically impacted, a key focus this year was applying for grant funding from Trusts and Foundations to support the organisation through the period of closure. We were extremely grateful to receive support from Arts Council England's COVID 19 Emergency Fund, the Department for Culture, Media and Sport's Culture Recovery Fund and Culture Recovery Fund Round 2, BFI FAN Exhibition Fund and Theatres Trust towards the safe reopening of our venues.

We have received increased support from individuals in our first full year of operation as a charity. Our audiences donated the cost of cancelled tickets, donated generously through our website and via our crowdfunding campaign. We have focussed on building our supporter base, ensuring our charity messaging is clear and making sure we maximise additional income through Gift Aid. Our refreshed membership scheme launched in March 2019 and has grown throughout the year thanks to audiences joining in support of WTM despite the challenges of the pandemic.

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## WORTHING THEATRES AND MUSEUM

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### **e. Local Government Pension Scheme (LGPS) liability**

WTM operates a defined benefit pension scheme for staff transferred under TUPE. Our actuary has estimated that WTM's net liability for the LGPS liability as at 31 March 2021 is £706k. This liability has increased by £494k, a significant increase on the previous year's figure of £212K since the last actuarial calculation on 31 March 2020. The increase in the liability is primarily due to changes in actuarial assumptions, in particular the discount rate which is used to estimate the charity's obligations. The poor performance of pension schemes is an issue for many organisations this year.

As part of WTM's Agreement with the Council the charity's contribution rate is capped at 17.9% for the duration of the Agreement and the exit liability is guaranteed by Worthing Borough Council until the end of October 2024. WTM has included future contributions at this agreed rate in our business plan and forecasts.

WTM is entering into negotiations with the Council to extend this guarantee for the life of the Agreement, which is a standard position for most charities that spin out from a Council. In the meantime, although this liability significantly reduces the total funds carried forward shown on the Statement of Financial Activities, it should be noted that a liability over such a long term is usually dismissed for the purposes of calculating liquidity / solvency.

#### **f. Reserves policy**

To ensure that Worthing Theatres & Museum retains its position as a key contributor to the cultural offer within the region, it will, in the coming years, maintain sufficient reserves for the following reasons:

1. to absorb potential income shortfalls, in particular in relation to Box Office ticket income
2. to cover significant unbudgeted costs
3. to ensure that WTM have enough resources available for essential capital replacement
4. to have funds available for internal facilities and performance related technical equipment essential for customer experience and income generation to meet budget targets. This excludes reactive and planned essential building maintenance and the Council's Planned Preventive Maintenance programme.
5. to enable WTM to take advantage of capital and operational opportunities that may arise
6. to ensure that WTM can fund any potential insurance claims and any HR costs relating to any potential claims from employees and any LGPS pension strain costs.

The original reserve target of £350k was based on 3 months' operating costs, including overheads, production and staff costs of one of our five venues. The impact of a pandemic was not considered when this reserve target of qualifying reserves was set, and we now feel a target of £750k is more sensible. We plan to continue to make surpluses to reach the target of £750K by March 2024. Worthing Borough Council has accepted this revised reserve target as the new threshold above which any gain share would be activated.

#### **g. Going concern**

The Trustees have considered the impact of COVID-19 on their assessment of going concern. After making appropriate enquiries, the Trustees have a reasonable expectation that WTM has adequate resources to continue in operational existence for the foreseeable future (which is considered to be a period of at least twelve months from the date of approving these financial statements) . For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

A significantly increased reserve position, healthy long term cashflow forecast and the continued support of Worthing Borough Council are all major factors in securing our long-term financial stability. WTM is committed to securing further financial stability by maximising existing and new income streams such as fundraising from Individual Giving, Corporate Partnerships and Trusts and Foundations, further streamlining operations, seeking best value to minimise expenditure and reinforcing reserves at every opportunity.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**h. Principal risks and uncertainties**

WTM has a detailed Risk Register in place to monitor the ongoing and potential risks to the organisation. The key areas of risk are:

**COVID pandemic**

WTM has managed the challenges of the pandemic extremely well, with a comprehensive COVID risk assessment that exceeds the government guidelines, the maximising of savings and funding opportunities and maintaining a cultural offer whenever possible. However as the country moves forward to the “new normal” we still face many challenges, not least of which is the impact of decreased audience confidence on ticket sales. Our budget for 21/22 shows reduced ticket income projections and we have built a ticket reserve to mitigate a potential shortfall.

**LGPS**

The risk associated with the exit debt is substantial. Worthing Borough Council currently guarantees the exit debt for the first five years of the Management Agreement. WTM are entering into negotiations with WBC requesting the continuation of this guarantee to give full protection from the exit debt indefinitely.

**Capital works**

The Council were unable to install the Connaught ventilation system during the periods of closure so WTM cannot programme week day films for eight weeks in July/ August 2021 making a substantial loss in ticket income. We have adjusted the budget to account for these works but it has made us very aware of the financial risk to the charity when the buildings have to close for essential works.

**Governance**

To address the risk of weak governance, WTM has an excellent and highly skilled board of Trustees who support the CEO and Management Team. A Governance Policy and comprehensive five year business plan are in place.

**Operational**

WTM maximises the use of our resources, particularly our venues, seeking community and commercial hires which support the artistic programme. The management and upkeep of the multiple venues is shared with Worthing Borough Council as part of a Service Level Agreement. Health and safety is prioritised, minimising risks and ensuring all staff receive training appropriate to their role. WTM has an experienced and committed staff team with minimal turnover, as well as a dedicated team of volunteers who work with the Front Of House and Curatorial teams. A disaster recovery plan is in place and WTM's IT is supported by Worthing Borough Council as part of a Service Level Agreement.

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## WORTHING THEATRES AND MUSEUM

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### **Financial**

To address the risks related to financial performance, the Head of Business & Finance and the Accountant have many years' experience and the skills to produce and interpret budgetary and financial reports. They are supported by the Financial Trustee who is the Finance Director for Chichester Festival Theatre, and the finance team at Brighton Dome & Festival as part of a Service Level Agreement. Budgets directly relate to organisational business planning and objectives, and are closely monitored and reported in a timely and accurate way at weekly finance meetings with the CEO. Finance & Audit Committee meetings ensure the budget, management accounts, balance sheet, cashflow variances and reserves position are regularly monitored. Alerts have been put in place and emergency meetings would be called if cash in the bank is lower than £350,000. Cashflow is usually strong for the organisation due to advance ticket sales and the transfer of the service payment six months in advance in April and October from Worthing Borough Council. Due to the pandemic the cashflow has been bolstered by a business interruption loan of £250k. WTM has an experienced Development Manager who oversees fundraising from all income streams, including funding from Trusts and Foundations, Individual Giving, Corporate Partnerships and the WTM Membership scheme.

#### **Programming**

WTM was forced to remain closed for the majority of 2020/21 but opened whenever possible with a vibrant and varied programme of events that sold well. We are now programming an excellent programme of events for the summer of 2021 onwards and with an experienced marketing team we are already seeing a growth in sales and a clear recovery.

#### **Reputation**

WTM provides high quality customer service responding quickly to any customer feedback. We communicate regularly with key funders and partners, keeping them updated on developments within the organisation. WTM has a strong relationship with the local press and radio, producing regular press releases and responding promptly to any enquiries. WTM has a comprehensive social media presence and monitors this closely.

#### **Compliance**

WTM has identified key legal and regulatory requirements which are monitored by the Head of Technical, Building & Production working closely with Worthing Borough Council. HR compliance is managed by the Director of Human Resources as part of the Brighton Dome and Festival Service Level Agreement. Regular reports are completed for the Trustees. Advice is sought for specialist areas from UK Theatre and the Museums Association.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Structure, governance and management**

**a. Constitution**

Worthing Theatres & Museum became a Charitable Incorporated Organisation (CIO) on the 5 September 2019 and started trading from the 1st November 2019, taking over the management and development of Worthing Borough Council's cultural assets. We also have a trading subsidiary company that is responsible for non-primary activities which is wholly owned by the charity. The Executive Management team - 80% of whom managed the portfolio as part of the Council - are now guided and supported by an experienced Board of Trustees who are experts in theatre, museums, business, finance, hospitality, regeneration, legal, HR and PR / marketing and equalities and diversity. We currently have six male and four female trustees, and recognise the need to diversify our governance in terms of age, culture and disability. The Board has recently planned a recruitment drive and is actively seeking Trustees from more diverse cultural and socio-economic backgrounds as well as endeavouring to recruit a board member who is between 18 and 26 years old. The Trustees and senior management team establish, monitor and review key performance indicators for all aspects of the Trust's activities. We hold four board meetings a year and an away day with subcommittees meeting as and when needed. Progress is communicated at each Board meeting through written and verbal reports and through formal reporting to Worthing Borough Council and meetings with Arts Council England. Each year we will publish an annual report that contains key information about the charity's performance.

**b. Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the CIO constitution.

**c. Policies adopted for the induction and training of Trustees**

New trustees undergo an induction to brief them on their legal obligations, Charity Commission guidance on public benefit, committee and decision-making processes, the business plan and recent financial performance.

**d. Pay policy for senior staff**

Both TUPE and new WTM posts are subject to the same job evaluation scheme detailed in both Pay and Reward policies. Grades including senior management posts are awarded according to the scheme at a panel.

**e. Organisational structure and decision making**

WTM is managed by the Board of Trustees who oversee the work of the CEO and Senior Managers: Head of Business & Finance, Head of Marketing & Development, Head of Curation, Head of Technical, Buildings & Production and Head of Customer Experience. The CEO is responsible for the ongoing management of the organisation, managing the Senior Management Team who in turn manage the department Managers. The CEO and Head of Business & Finance (Company Secretary) report to the Board of Trustees four times a year including full financial reporting, overview of programming & projects and Health & Safety Risk Assessment. Senior Managers provide presentations as and when required. In February, there is also an annual away day attended by Trustees and the full senior management team. During 2020/21 WTM had several additional Board meetings to respond to the changing and unprecedented situation due to the pandemic.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Structure, governance and management (continued)**

**f. Risk management**

The charity has a formal risk management process through which the senior management identifies the major risks to which the organisation may be exposed and has ranked these by likelihood and impact, culminating in a risk register which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

**Plans for future periods**

The Trustees remain committed to delivering the vision and aims as outlined above and within the organisation's five year Business Plan (2019 - 2024). Worthing Borough Council remains committed to WTM, confirming the five year financial agreement will be honoured. Across the cultural industries 2020 / 21 has been an exceptionally challenging year with venues closed since mid March and income streams close to zero. WTM have now reopened all the venues, initially with social distancing and are currently working on the operational plans to safely open when all government restrictions have ceased. We have a full and varied programme of events through the summer including a season of free outdoor performances. By autumn the programme is back to pre-COVID levels but we have been cautious regarding the confidence of our audiences, calculating September at 50% of previous income and October to March at 70% in the budget. We have programmed a full scale pantomime in December 2021 and hope to reach 73% of sales.

WTM will be extending our programme of participatory work, adding to our successful workshops for children and families with a series of full day art / craft workshops for adults and week-long summer schools for young people. This work will increase opportunities for our community and create work for local artists and makers.

In the longer term we plan a dramatic refurbishment and extension of the Museum, taking the panels off the windows and removing the partitions that currently make a series of small dark spaces. We plan to let the light flood into the beautiful building, opening up 85% of the building to the public where currently only 50% is accessible, and increasing the collections on display from 5% to 30%. The launch of the project has been delayed due to the pandemic but we are in discussion with the National Lottery Heritage Fund and actively seeking further funders.

**Non charitable trading**

The Trustees incorporated a trading subsidiary company wholly owned by the charity to carry out activities which do not directly further the CIO's charitable purposes, but which will raise funds for the CIO including:

1. Bars & Catering - the sale of food and drink in the Theatres bars
2. Venue Hire - hiring out the charity's venues and rooms to performers for rehearsals; to artists to hold exhibitions; to local community groups and businesses for commercial events; to trade fairs; to hold functions such as parties or wedding receptions; for conferences; for filming; and to other charities
3. Retail & merchandise - sales of goods in the Museum's shop and across the venues. Merchandise sales and commission in the Theatres.

The trading subsidiary (Worthing Theatres & Museum (Trading) Limited) has its own Board of Directors comprising Board Trustees and separate independent Directors and is in the process of starting up separate trading operations. To date, the trading subsidiary company has not been required due to the low levels of activity. .

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## WORTHING THEATRES AND MUSEUM

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### Auditors

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 28 July 2021 and signed on their behalf by:



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**P M Cadwallader**  
Chair

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## WORTHING THEATRES AND MUSEUM

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORTHING THEATRES AND MUSEUM

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#### Opinion

We have audited the financial statements of Worthing Theatres and Museum (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

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

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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## WORTHING THEATRES AND MUSEUM

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORTHING THEATRES AND MUSEUM (CONTINUED)

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#### 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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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## WORTHING THEATRES AND MUSEUM

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORTHING THEATRES AND MUSEUM (CONTINUED)

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#### Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Inspecting correspondence with regulators;
  - Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
  - Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year, including during the Covid-19 remote working period;
  - Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 Auditors' Report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Haysmacintyre LLP**  
Statutory Auditors  
10 Queen Street Place  
London  
EC4R 1AG

Date: 13 August 2021

Haysmacintyre LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**WORTHING THEATRES AND MUSEUM**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT  
NOT FORMING PART OF THE STATUTORY ACCOUNTS  
AS AT 31 MARCH 2021**

	<b>2021</b>	<i>5 months ended</i> <b>2020</b>
	<b>£</b>	<b>£</b>
<b>Income from:</b>		
Donations and legacies	1,230,970	24,779
Charitable activities	1,544,685	1,856,463
Other trading activities	51,416	497,738
Investments	<u>1,899</u>	<u>1,369</u>
<b>Total income</b>	<b><u>2,828,970</u></b>	<b><u>2,380,349</u></b>
 <b>Less expenditure on :</b>		
Raising funds	(462,929)	(419,571)
Charitable activities	<u>(1,861,540)</u>	<u>(1,692,604)</u>
<b>Total expenditure</b>	<b><u>(2,324,469)</u></b>	<b><u>(2,112,175)</u></b>
 Less:		
Other non-operating items	(4,999)	-
Movement on restricted funds	1,379	(7,394)
Transfer to designated funds	<u>(462,420)</u>	<u>(163,952)</u>
 <b>Operating surplus</b>	<b><u>38,461</u></b>	<b><u>96,828</u></b>
Adjustment for Local Government Pension Scheme (LGPS) valuation:		
Opening LGPS liability	-	(381,000)
Actuarial (losses)/gains	(399,000)	220,000
In year costs	<u>(94,606)</u>	<u>(72,125)</u>
<b>Total adjustment for Local Government Pension Scheme (LGPS) valuation</b>	<b><u>(493,606)</u></b>	<b><u>(233,125)</u></b>
Other non-operating items	4,999	-
Movement on restricted funds	(1,379)	7,394
Transfer to designated funds	<u>462,420</u>	<u>163,952</u>
 <b>Net movement in funds</b>	<b><u><u>10,895</u></u></b>	<b><u><u>35,049</u></u></b>

Please note that comparative figures are for the period from registration on 5 September 2019 to 31 March 2020 (of which the Charity was operational for a five month period between 1 November 2020 and 31 March 2021 and therefore the figures are described as being for a period of five months to reflect the underlying substance of the figures presented).

**WORTHING THEATRES AND MUSEUM**

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

	Note	Restricted funds  31 March 2021 £	Unrestricted funds  31 March 2021 £	Total funds  31 March 2021 £	<i>Total funds 5 months ended 31 March 2020 £</i>
<b>Income from:</b>					
Donations and legacies	4	40,196	1,190,774	1,230,970	24,779
Charitable activities	5	-	1,544,685	1,544,685	1,856,463
Other trading activities	6	-	51,416	51,416	497,738
Investments	7	-	1,899	1,899	1,369
<b>Total income</b>		<b>40,196</b>	<b>2,788,774</b>	<b>2,828,970</b>	<b>2,380,349</b>
<b>Expenditure on:</b>					
Raising funds	9	-	549,538	549,538	487,696
Charitable activities	10	35,500	1,834,037	1,869,537	1,696,604
Other expenditure	11	-	-	-	381,000
<b>Total expenditure</b>		<b>35,500</b>	<b>2,383,575</b>	<b>2,419,075</b>	<b>2,565,300</b>
<b>Net income/(expenditure)</b>					
Transfers between funds	22	4,696 (6,075)	405,199 6,075	409,895 -	(184,951) -
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(1,379)</b>	<b>411,274</b>	<b>409,895</b>	<b>(184,951)</b>
<b>Other recognised gains/(losses):</b>					
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(399,000)	(399,000)	220,000
<b>Net movement in funds</b>		<b>(1,379)</b>	<b>12,274</b>	<b>10,895</b>	<b>35,049</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		7,394	27,655	35,049	-
Net movement in funds		(1,379)	12,274	10,895	35,049
<b>Total funds carried forward</b>		<b>6,015</b>	<b>39,929</b>	<b>45,944</b>	<b>35,049</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. Please note that comparative figures are for the period from registration on 5 September 2019 to 31 March 2020 (of which the Charity was operational for a five month period between 1 November 2020 and 31 March 2021 and therefore the figures are described as being for a period of five months to reflect the underlying substance of the figures presented).

The notes on pages 22 to 48 form part of these financial statements.

**WORTHING THEATRES AND MUSEUM**

**BALANCE SHEET  
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	17	<b>191,108</b>	-
		<u>191,108</u>	<u>-</u>
<b>Current assets</b>			
Stocks	18	17,158	19,070
Debtors	19	191,243	163,465
Cash at bank and in hand		2,821,342	993,531
		<u>3,029,743</u>	<u>1,176,066</u>
Creditors: amounts falling due within one year	20	<b>(2,235,574)</b>	(928,623)
<b>Net current assets</b>		<b>794,169</b>	247,443
<b>Total assets less current liabilities</b>		<b>985,277</b>	247,443
Creditors: amounts falling due after more than one year	21	<b>(233,333)</b>	-
<b>Net assets excluding pension liability</b>		<b>751,944</b>	247,443
Defined benefit pension scheme liability	25	<b>(706,000)</b>	(212,394)
<b>Total net assets</b>		<b>45,944</b>	35,049
<b>Charity funds</b>			
Restricted funds	22	6,015	7,394
Unrestricted funds			
Unrestricted funds excluding pension liability	22	745,929	240,049
Pension reserve	22	<b>(706,000)</b>	(212,394)
Total unrestricted funds	22	<b>39,929</b>	27,655
<b>Total funds</b>		<b>45,944</b>	35,049

The financial statements were approved and authorised for issue by the Trustees on 28 July 2021 and signed on their behalf by:



**P M Cadwallader**  
Chair

The notes on pages 22 to 48 form part of these financial statements.

**WORTHING THEATRES AND MUSEUM**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	<b>31 March 2021 £</b>	<i>5 months ended 31 March 2020 £</i>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>1,767,429</b>	993,531
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>1,899</b>	-
Purchase of tangible fixed assets	<b>(191,515)</b>	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(189,616)</b>	-
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowing	<b>250,000</b>	-
<b>Net cash provided by financing activities</b>	<b>250,000</b>	-
<b>Change in cash and cash equivalents in the year</b>	<b>1,827,813</b>	<b>993,531</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,821,344</b>	993,531

The notes on pages 22 to 48 form part of these financial statements

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## WORTHING THEATRES AND MUSEUM

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

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#### 1. General information

Worthing Theatres and Museum is a Charitable Incorporated Organisation.

The registered principal office is Connaught Theatre, Union Place, Worthing, BN11 1LG.

Consolidated accounts have not been produced as its wholly owned subsidiary, Worthing Theatres and Museum (Trading) Limited is dormant.

Please note that comparative figures are for the period from registration on 5 September 2019 to 31 March 2020 (of which the Charity was operational for a five month period between 1 November 2020 and 31 March 2021 and therefore the figures are described as being for a period of five months to reflect the underlying substance of the figures presented).

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Worthing Theatres and Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees recognise that there are many uncertainties due to COVID-19 which will affect the Charity.

The trustees have considered the level of funds held, the expected level of income and expenditure and the cashflow for 12 months following the authorising of these financial statements and believe the charity is able to continue as a going concern.

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

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

All expenditure is inclusive of irrecoverable VAT.

**2.5 Government grants**

Government grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings and equipment - 7 - 10 years

**2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

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**2. Accounting policies (continued)**

**2.11 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity also operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation of the year end liability.

**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

## WORTHING THEATRES AND MUSEUM

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

#### 3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

#### 4. Income from donations and legacies

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>31 March 2021</b>	<b>31 March 2021</b>	<b>31 March 2021</b>
	£	£	£
Donations	30	35,756	<b>35,786</b>
Grants	40,166	113,529	<b>153,695</b>
Government grants	-	1,041,489	<b>1,041,489</b>
	40,196	1,190,774	<b>1,230,970</b>
	40,196	1,190,774	<b>1,230,970</b>

	<i>Restricted funds</i>	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>5 months ended</i>	<i>5 months ended</i>	<i>5 months ended</i>
	<i>31 March 2020</i>	<i>31 March 2020</i>	<i>31 March 2020</i>
	£	£	£
Donations	150	13,229	13,379
Grants	-	3,000	3,000
Government grants	-	8,400	8,400
	150	24,629	24,779
	150	24,629	24,779

**WORTHING THEATRES AND MUSEUM**

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

**5. Income from charitable activities**

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>31 March 2021</b>	<b>31 March 2021</b>
	£	£
Live Events	52,997	<b>52,997</b>
Film	30,606	<b>30,606</b>
Museum	1,072	<b>1,072</b>
Service Fee	1,460,010	<b>1,460,010</b>
	1,544,685	<b>1,544,685</b>
	1,544,685	<b>1,544,685</b>

	<i>Restricted funds</i>	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>5 months ended</i>	<i>5 months ended</i>	<i>5 months ended</i>
	<i>31 March 2020</i>	<i>31 March 2020</i>	<i>31 March 2020</i>
	£	£	£
Live Events	-	899,462	899,462
Film	-	346,821	346,821
Museum	-	7,069	7,069
Service Fee	19,361	583,750	603,111
	19,361	1,837,102	1,856,463
	19,361	1,837,102	1,856,463

**WORTHING THEATRES AND MUSEUM**

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

**6. Income from other trading activities**

**Income from fundraising events**

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>31 March 2021</b>	<b>31 March 2021</b>
	£	£
Venue hire and rental	25,650	<b>25,650</b>
Merchandise	1,257	<b>1,257</b>
Bar and Catering	12,138	<b>12,138</b>
Other	12,371	<b>12,371</b>
	51,416	<b>51,416</b>
	51,416	<b>51,416</b>

	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>5 months ended</i>	<i>5 months ended</i>
	<i>31 March 2020</i>	<i>31 March 2020</i>
	£	£
Venue hire and rental	58,247	58,247
Merchandise	17,739	17,739
Bar and Catering	213,790	213,790
Other	207,962	207,962
	497,738	497,738
	497,738	497,738

**7. Investment income**

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>31 March 2021</b>	<b>31 March 2021</b>
	£	£
Investment income	1,899	<b>1,899</b>
	1,899	<b>1,899</b>

**WORTHING THEATRES AND MUSEUM**

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

**7. Investment income (continued)**

	<i>Unrestricted funds 5 months ended 31 March 2020 £</i>	<i>Total funds 5 months ended 31 March 2020 £</i>
Investment income	1,369	1,369
	1,369	1,369

**8. Programming and Trading income**

	<b>2021 £</b>	<b>2020 £</b>
Live Events	<b>49,851</b>	395,584
Panto	-	499,738
Films & Live Screenings	<b>30,589</b>	324,606
Theatre Bars & Catering	<b>12,588</b>	214,932
Museum Shop and Events	<b>2,141</b>	11,155
Ticket Levies	<b>7,312</b>	91,952
Venue Hires (including rental income)	<b>25,650</b>	58,147
	<b>128,131</b>	1,596,114

The income above is included in notes 5 & 6 and represents Programming and Trading income (a key metric monitored by the trustees).

**WORTHING THEATRES AND MUSEUM**

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

**9. Expenditure on raising funds**

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>31 March 2021</b>	<b>31 March 2021</b>
	£	£
Direct costs	8,318	<b>8,318</b>
Pension costs	86,606	<b>86,606</b>
Support costs	454,614	<b>454,614</b>
	549,538	<b>549,538</b>
	549,538	<b>549,538</b>
	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>5 months ended</i>	<i>5 months ended</i>
	<i>31 March 2020</i>	<i>31 March 2020</i>
	£	£
Direct costs	88,636	88,636
Pension costs	47,394	47,394
Support costs	351,666	351,666
	487,696	487,696
	487,696	487,696

**WORTHING THEATRES AND MUSEUM**

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

**10. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>
Live Events	35,500	1,145,275	<b>1,180,775</b>
Film	-	285,476	<b>285,476</b>
Museum	-	403,286	<b>403,286</b>
	<u>35,500</u>	<u>1,834,037</u>	<u><b>1,869,537</b></u>

	<i>Restricted funds</i>	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>5 months ended 31 March 2020 £</i>	<i>5 months ended 31 March 2020 £</i>	<i>5 months ended 31 March 2020 £</i>
Live Events	12,117	1,127,371	1,139,488
Film	-	308,219	308,219
Museum	-	248,897	248,897
	<u>12,117</u>	<u>1,684,487</u>	<u>1,696,604</u>

**11. Other expenditure**

	<b>Total funds</b>
	<b>31 March 2021 £</b>
LGPS transfer	-
	<u>-</u>

**WORTHING THEATRES AND MUSEUM**

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

**11. Other expenditure (continued)**

	<i>Unrestricted funds 5 months ended 31 March 2020 £</i>	<i>Total funds 5 months ended 31 March 2020 £</i>
LGPS transfer	381,000	381,000
	381,000	381,000

**12. Analysis of expenditure by activities**

	<b>Activities undertaken directly  31 March 2021 £</b>	<b>Support costs  31 March 2021 £</b>	<b>Total funds  31 March 2021 £</b>
Live Events	80,465	1,100,310	<b>1,180,775</b>
Film	20,884	264,592	<b>285,476</b>
Museum	138,694	264,592	<b>403,286</b>
	240,043	1,629,494	<b>1,869,537</b>

	<i>Activities undertaken directly 5 months ended 31 March 2020 £</i>	<i>Support costs 5 months ended 31 March 2020 £</i>	<i>Total funds 5 months ended 31 March 2020 £</i>
Live Events	569,294	570,194	1,139,488
Film	165,280	142,939	308,219
Museum	105,958	142,939	248,897
	840,532	856,072	1,696,604

**WORTHING THEATRES AND MUSEUM**

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

**12. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Live Events</b>	<b>Film</b>	<b>Museum</b>	<b>Total funds</b>
	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>
Pension finance costs	8,000	-	-	<b>8,000</b>
Staff costs	20,608	-	88,875	<b>109,483</b>
Equipment	-	-	605	<b>605</b>
Insurance	-	-	18,183	<b>18,183</b>
IT	-	249	2,010	<b>2,259</b>
Premises costs	-	-	21,587	<b>21,587</b>
Professional fees	-	-	147	<b>147</b>
Marketing	2,630	-	-	<b>2,630</b>
Other	-	-	487	<b>487</b>
Rates	-	-	1,925	<b>1,925</b>
Repairs and Maintenance	-	-	4,875	<b>4,875</b>
Artist fees	31,447	-	-	<b>31,447</b>
Production costs	17,780	13,712	-	<b>31,492</b>
Film Rental	-	6,923	-	<b>6,923</b>
	<u>80,465</u>	<u>20,884</u>	<u>138,694</u>	<u><b>240,043</b></u>

**WORTHING THEATRES AND MUSEUM**

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

**12. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Live Events</i> <i>5 months</i> <i>ended</i> <i>31 March</i> <i>2020</i> £	<i>Film</i> <i>5 months</i> <i>ended</i> <i>31 March</i> <i>2020</i> £	<i>Museum</i> <i>5 months</i> <i>ended</i> <i>31 March</i> <i>2020</i> £	<i>Total</i> <i>funds</i> <i>5 months</i> <i>ended</i> <i>31 March</i> <i>2020</i> £
Pension finance costs	4,000	-	-	4,000
Staff costs	-	17,080	70,074	87,154
Equipment	-	-	1,757	1,757
Insurance	-	-	15	15
Premises costs	-	-	27,904	27,904
Professional fees	125	-	366	491
Other	12,117	1,000	684	13,801
Printing, Postage and Stationary	-	-	25	25
Rates	-	-	1,122	1,122
Repairs and Maintenance	-	-	3,753	3,753
Travel	-	-	258	258
Artist fees	552,402	-	-	552,402
Production costs	600	37,770	-	38,370
Film Rental	-	109,430	-	109,430
Staff costs	50	-	-	50
	<u>569,294</u>	<u>165,280</u>	<u>105,958</u>	<u>840,532</u>

**WORTHING THEATRES AND MUSEUM**

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

**12. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Live Events</b>	<b>Film</b>	<b>Museum</b>	<b>Total funds</b>
	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>	<b>31 March 2021 £</b>
Staff costs	773,100	187,032	187,032	<b>1,147,164</b>
Depreciation	407	-	-	<b>407</b>
Bank charges	3,941	1,025	1,025	<b>5,991</b>
Equipment	64,283	16,713	16,713	<b>97,709</b>
Insurance	27,728	7,209	7,209	<b>42,146</b>
IT	53,687	13,959	13,959	<b>81,605</b>
Premises costs	28,609	7,439	7,439	<b>43,487</b>
Professional fees	22,856	5,623	5,623	<b>34,102</b>
Marketing	32,328	8,405	8,405	<b>49,138</b>
Other	10,830	2,815	2,815	<b>16,460</b>
Printing, Postage and Stationary	2,595	675	675	<b>3,945</b>
Rates	4,568	1,187	1,187	<b>6,942</b>
Repairs and Maintenance	46,281	12,033	12,033	<b>70,347</b>
Training	1,793	466	466	<b>2,725</b>
Travel	487	126	126	<b>739</b>
Other Staff costs	(441)	(115)	(115)	<b>(671)</b>
Governance costs	27,258	-	-	<b>27,258</b>
	<u>1,100,310</u>	<u>264,592</u>	<u>264,592</u>	<u><b>1,629,494</b></u>

**WORTHING THEATRES AND MUSEUM**

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

**12. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Live Events 5 months ended 31 March 2020 £</i>	<i>Film 5 months ended 31 March 2020 £</i>	<i>Museum 5 months ended 31 March 2020 £</i>	<i>Total funds 5 months ended 31 March 2020 £</i>
Staff costs	326,884	84,198	84,198	495,280
Bank charges	5,968	1,537	1,537	9,042
Equipment	22,983	5,920	5,920	34,823
Insurance	24,888	6,410	6,410	37,708
IT	20,650	5,319	5,319	31,288
Premises costs	34,221	8,813	8,813	51,847
Professional fees	3,637	4,119	4,119	11,875
Marketing	40,853	10,523	10,523	61,899
Other	50,364	12,973	12,973	76,310
Printing, Postage and Stationary	2,094	539	539	3,172
Rates	1,003	258	258	1,519
Repairs and Maintenance	3,256	838	838	4,932
Training	2,284	589	589	3,462
Travel	1,284	331	331	1,946
Staff costs	14,575	572	572	15,719
Governance costs	15,250	-	-	15,250
	<u>570,194</u>	<u>142,939</u>	<u>142,939</u>	<u>856,072</u>

**13. Auditors' remuneration**

	<b>31 March 2021 £</b>	<i>5 months ended 31 March 2020 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>16,500</b>	15,250
Fees payable to the Charity's auditor in respect of: Other non-audit services	<b>2,500</b>	-
	<u><b>19,000</b></u>	<u>15,250</u>

**WORTHING THEATRES AND MUSEUM**

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

**14. Staff costs**

	<b>31 March 2021</b>	<i>5 months ended 31 March 2020</i>
	£	£
Wages and salaries	<b>1,340,717</b>	702,862
Social security costs	<b>77,095</b>	31,365
Contribution to defined contribution pension schemes	<b>236,867</b>	134,582
	<b>1,654,679</b>	868,809

During the year the charity made severance payments totalling £65,358 (2020: Nil) and associated pension strain payments totalling £11,744 (2020: Nil) . At the year end £6,142 (2020: Nil) was still outstanding in relation to one pension strain payment.

The average number of persons employed by the Charity during the year was as follows:

	<b>31 March 2021</b>	<i>5 months ended 31 March 2020</i>
	No.	No.
Senior Managers	<b>5</b>	5
Other Staff	<b>45</b>	59
Casual Staff	<b>6</b>	58
	<b>56</b>	122

The average headcount expressed as full-time equivalents was:

	<b>31 March 2021</b>	<i>5 months ended 31 March 2020</i>
	No.	No.
Senior Managers	<b>5</b>	5
Other Staff	<b>37</b>	48
Casual Staff	<b>-</b>	13
	<b>42</b>	66

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**WORTHING THEATRES AND MUSEUM**

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

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**14. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>31 March 2021 No.</b>	<i>5 months ended 31 March 2020 No.</i>
In the band £70,001 - £80,000	<b>1</b>	<i>1</i>

The total remuneration and benefits received by key management personnel for the period was £215,775 (2020: £151,161).

**15. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

**16. Trustees' and officers' insurance**

In accordance with normal commercial practice, the charity has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on charity business. The insurance provides cover up to £5m and the cost for the period ended 31 March 2021 was £500 (2020: £500).

**WORTHING THEATRES AND MUSEUM**

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

**17. Tangible fixed assets**

	<b>Fixtures, fittings and equipment £</b>
<b>Cost or valuation</b>	
Additions	191,515
At 31 March 2021	191,515
<b>Depreciation</b>	
Charge for the year	407
At 31 March 2021	407
<b>Net book value</b>	
At 31 March 2021	191,108
<i>At 31 March 2020</i>	-

**18. Stocks**

	<b>2021 £</b>	<b>2020 £</b>
Catering stock	17,158	19,070

**19. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Due within one year</b>		
Other debtors	46,724	126,354
Prepayments and accrued income	144,519	37,111
	191,243	163,465

**WORTHING THEATRES AND MUSEUM**

**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Creditors: Amounts falling due within one year**

	2021 £	2020 £
CBILS loan	16,667	-
Trade creditors	410,251	13,679
Other taxation and social security	170,547	30,718
Other creditors	121,028	250,874
Accruals and deferred income	1,517,081	633,352
	<b>2,235,574</b>	<b>928,623</b>
	<b>2,235,574</b>	<b>928,623</b>
	2021 £	2020 £
Deferred income at 1 April 2020	540,809	-
Resources deferred during the year	1,083,742	540,809
Amounts released from previous periods	(235,479)	-
	<b>1,389,072</b>	<b>540,809</b>
	<b>1,389,072</b>	<b>540,809</b>

Deferred income is made up of Advance Ticket income, prepaid elements of the Council Service Fee, Gift Vouchers, Prepaid Venue Hire, deferred grants and Prepaid Friends Membership.

Advance ticket income includes all ticket income received for shows after the 31 March 2021 and no adjustment has been made for refunds, cancellations or postponement of shows made after this date.

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**WORTHING THEATRES AND MUSEUM**

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

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**21. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
CBILS loan	<b>233,333</b>	-
	<u>233,333</u>	<u>-</u>
Included within the above are amounts falling due as follows:		
	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
<b>Between one and two years</b>		
Bank loans	<b>50,000</b>	-
	<u>50,000</u>	<u>-</u>
<b>Between two and five years</b>		
Bank loans	<b>150,000</b>	-
	<u>150,000</u>	<u>-</u>
<b>Over five years</b>		
Bank loans	<b>33,333</b>	-
	<u>33,333</u>	<u>-</u>

**WORTHING THEATRES AND MUSEUM**

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

**22. Statement of funds**

**Statement of funds - current year**

	Balance at 31 March 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
COVID-19 Reserve	60,000	-	-	90,000	-	150,000
Insurance Claim Reserve	12,000	-	-	-	-	12,000
Capital (Restoration) Fund	91,952	-	-	7,312	-	99,264
New Equipment Reserve	-	-	-	92,000	-	92,000
HR Reserve	-	-	-	12,000	-	12,000
Pension shortfall Reserve	-	-	-	20,000	-	20,000
Maintenance Reserve	-	-	-	50,000	-	50,000
Fixed Asset Reserve	-	-	-	191,108	-	191,108
	<b>163,952</b>	<b>-</b>	<b>-</b>	<b>462,420</b>	<b>-</b>	<b>626,372</b>
	Balance at 31 March 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>General funds</b>						
General Funds	76,097	2,788,774	(2,288,969)	(456,345)	-	119,557
Pension reserve	(212,394)	-	(94,606)	-	(399,000)	(706,000)
	<b>(136,297)</b>	<b>2,788,774</b>	<b>(2,383,575)</b>	<b>(456,345)</b>	<b>(399,000)</b>	<b>(586,443)</b>
<b>Total Unrestricted funds</b>	<b>27,655</b>	<b>2,788,774</b>	<b>(2,383,575)</b>	<b>6,075</b>	<b>(399,000)</b>	<b>39,929</b>

**WORTHING THEATRES AND MUSEUM**

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

**22. Statement of funds (continued)**

	Balance at 31 March 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Restricted funds</b>						
WTM - The Next Chapter	7,244	1,318	(2,487)	(6,075)	-	-
Restricted Museum Donation	150	-	-	-	-	150
ACE COVID-19 Emergency Funding Grant	-	29,209	(29,043)	-	-	166
BFI/ICO Grant	-	4,214	-	-	-	4,214
Google Ads Grants	-	2,630	(2,630)	-	-	-
Royal Pavilion & Museum Trust	-	991	-	-	-	991
Theatres Trust - reopening grant	-	1,834	(1,340)	-	-	494
	<u>7,394</u>	<u>40,196</u>	<u>(35,500)</u>	<u>(6,075)</u>	<u>-</u>	<u>6,015</u>
<b>Total of funds</b>	<u><u>35,049</u></u>	<u><u>2,828,970</u></u>	<u><u>(2,419,075)</u></u>	<u><u>-</u></u>	<u><u>(399,000)</u></u>	<u><u>45,944</u></u>

**WORTHING THEATRES AND MUSEUM**

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

**22. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Gains/</i>	<i>Balance at</i>
	£	£	<i>in/out</i>	<i>(Losses)</i>	<i>31 March</i>
			£	£	2020
					£
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
COVID-19 Reserve	-	-	60,000	-	60,000
Insurance Claim Reserve	-	-	12,000	-	12,000
Capital (Restoration) Fund	-	-	91,952	-	91,952
	<u>-</u>	<u>-</u>	<u>163,952</u>	<u>-</u>	<u>163,952</u>
<b>General funds</b>					
General Funds	2,360,838	(2,120,789)	(163,952)	-	76,097
Pension reserve	-	(432,394)	-	220,000	(212,394)
	<u>2,360,838</u>	<u>(2,553,183)</u>	<u>(163,952)</u>	<u>220,000</u>	<u>(136,297)</u>
<b>Total Unrestricted funds</b>	<u>2,360,838</u>	<u>(2,553,183)</u>	<u>-</u>	<u>220,000</u>	<u>27,655</u>
<b>Restricted funds</b>					
WTM - The Next Chapter	<u>19,511</u>	<u>(12,117)</u>	<u>-</u>	<u>-</u>	<u>7,394</u>
<b>Total of funds</b>	<u><u>2,380,349</u></u>	<u><u>(2,565,300)</u></u>	<u><u>-</u></u>	<u><u>220,000</u></u>	<u><u>35,049</u></u>

**WORTHING THEATRES AND MUSEUM**

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

**23. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	163,952	-	-	462,420	-	626,372
General funds	(136,297)	2,788,774	(2,383,575)	(456,345)	(399,000)	(586,443)
Restricted funds	7,394	40,196	(35,500)	(6,075)	-	6,015
	<u>35,049</u>	<u>2,828,970</u>	<u>(2,419,075)</u>	<u>-</u>	<u>(399,000)</u>	<u>45,944</u>

**Summary of funds - prior year**

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	-	-	163,952	-	163,952
General funds	2,360,838	(2,553,183)	(163,952)	220,000	(136,297)
Restricted funds	19,511	(12,117)	-	-	7,394
	<u>2,380,349</u>	<u>(2,565,300)</u>	<u>-</u>	<u>220,000</u>	<u>35,049</u>

**24. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	191,108	191,108
Current assets	6,015	3,023,728	3,029,743
Creditors due within one year	-	(2,235,574)	(2,235,574)
Creditors due in more than one year	-	(233,333)	(233,333)
Provisions for liabilities and charges	-	(706,000)	(706,000)
<b>Total</b>	<u>6,015</u>	<u>39,929</u>	<u>45,944</u>

**WORTHING THEATRES AND MUSEUM**

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

**24. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Current assets	7,394	1,168,672	1,176,066
Creditors due within one year	-	(928,623)	(928,623)
Provisions for liabilities and charges	-	(212,394)	(212,394)
<b>Total</b>	7,394	27,655	35,049

**25. Pension commitments**

People's Pension Scheme

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £15,301 (2020: £2,363). Contributions totalling £nil (2020: £2,363) were payable to the fund at the balance sheet date and are included in creditors.

LGPS Scheme

The Charity operates a defined benefit pension scheme.

Upon entering into an agreement with The Borough Council of Worthing to manage and operate the Worthing Borough Councils' Cultural Portfolio all existing staff were transferred via TUPE across to the charity including their membership to the LGPS scheme. As part of the agreement with Worthing Borough Council the charity's contribution rate is fixed at 17.9% for the duration of the agreement and Worthing Borough Council have agreed to act as guarantor in relation to the Admission Agreement and for any exit payment for a period of 5 years from 1 November 2019.

The pension cost charge represents contributions payable by the Charity to the LGPS fund and amounted to £148,394 (2020: £118,875). Contributions totalling £17,322 (2020: £118,875) were payable to the fund at the balance sheet date and are included in creditors. In the period to 31 March 2020, the contributions had not yet been paid over to the scheme and therefore the actuary's report did not include them. This was because the admission agreement was finalised after this period end. At 31 March 2020 these were shown as part of creditors due within one year to reflect that the amounts concerned were paid to the scheme during 20/21.

**WORTHING THEATRES AND MUSEUM**

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

**25. Pension commitments (continued)**

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>At 31 March 2021</b>	<i>At 31 March 2020</i>
	%	%
Discount rate	<b>2.10%</b>	2.30%
Future salary increases	<b>1.50%</b>	2.20%
Future pension increases	<b>2.75%</b>	1.80%

	<b>At 31 March 2021</b>	<i>At 31 March 2020</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	<b>23.1</b>	22.2
- at 65 for a male aged 45 now	<b>23.1</b>	23.3
- for a female aged 65 now	<b>24.4</b>	24.2
- at 65 for a female aged 45 now	<b>26.1</b>	25.9

**Sensitivity analysis**

	<b>At 31 March 2021</b>	<i>At 31 March 2020</i>
	£	£
Discount rate +0.1%	<b>112,000</b>	65,000
CPI rate +0.1%	<b>102,000</b>	58,000

The Charity's share of the assets in the scheme was:

	<b>At 31 March 2021</b>	<i>At 31 March 2020</i>
	£	£
Equities	<b>1,336,000</b>	750,000
Bonds	<b>739,000</b>	609,000
Property	<b>167,000</b>	141,000
Cash and other liquid assets	<b>146,000</b>	62,000
<b>Total fair value of assets</b>	<b>2,388,000</b>	<i>1,562,000</i>

The actual return on scheme assets was £417,000 (2020 - £(121,000)).

**WORTHING THEATRES AND MUSEUM**

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

**25. Pension commitments (continued)**

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2021</b>	<i>5 months ended</i> <b>2020</b>
	£	£
Interest cost	<b>8,000</b>	<b>4,000</b>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2021</b>
	£
Opening defined benefit obligation	<b>1,914,000</b>
Interest cost	<b>8,000</b>
Contributions by scheme participants	<b>78,000</b>
Actuarial losses/(gains)	<b>819,000</b>
Benefits paid	<b>40,000</b>
Past service costs	<b>5,000</b>
Current service cost	<b>230,000</b>
<b>Closing defined benefit obligation</b>	<b>3,094,000</b>

Movements in the fair value of the Charity's share of scheme assets were as follows:

	<b>2021</b>
	£
Opening fair value of scheme assets	<b>1,701,606</b>
Actuarial gains/(losses)	<b>420,000</b>
Contributions by employer	<b>148,394</b>
Contributions by scheme participants	<b>78,000</b>
Interest income	<b>40,000</b>
<b>Closing fair value of scheme assets</b>	<b>2,388,000</b>

**26. Related party transactions**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2021.