

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  
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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

## **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.

## **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:

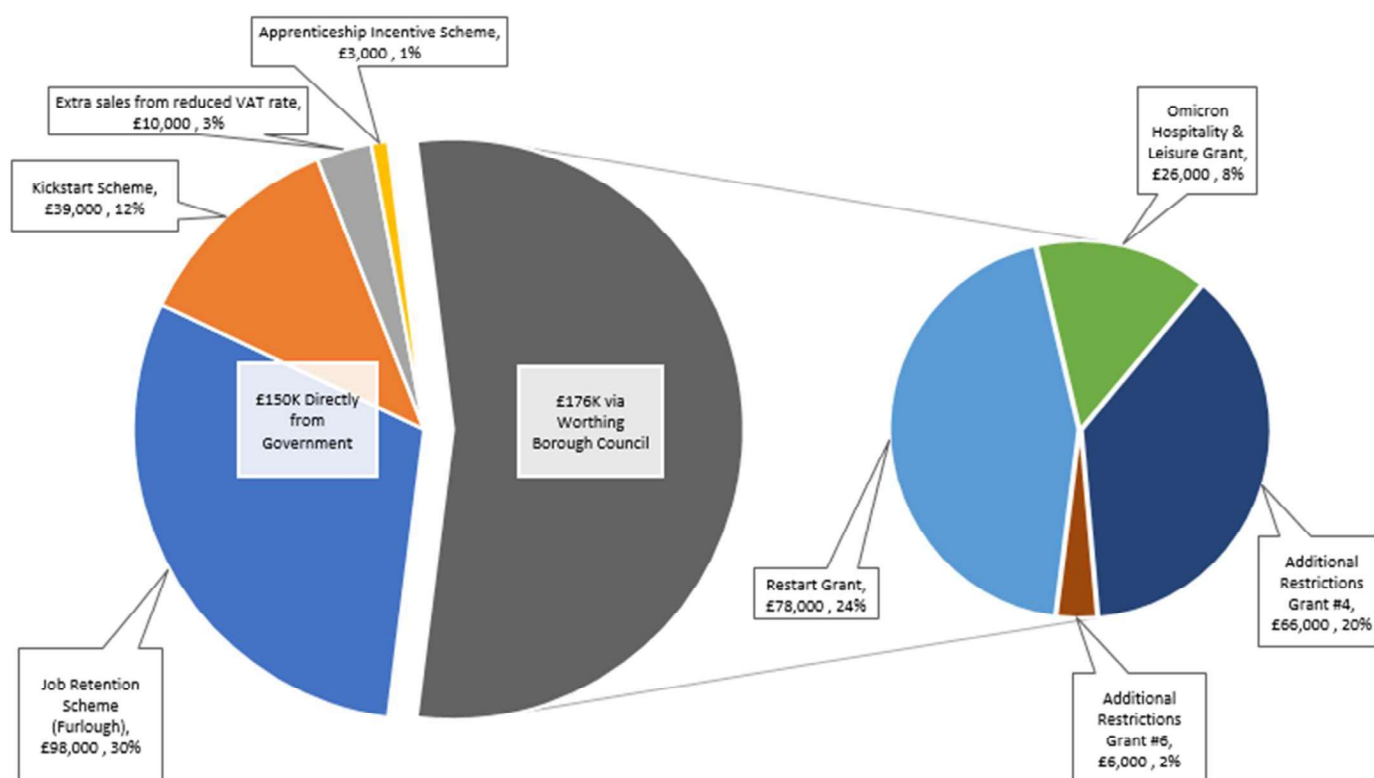
- **Council Service Fee** - we continue to receive our contracted service fee from the Council in order that we can deliver our objects and activities.
- **COVID-19 Grants (from Government funding - distributed by WBC)**
  - **Restart Grant** - we received **£78K** from this grant in April 2021 provided 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.

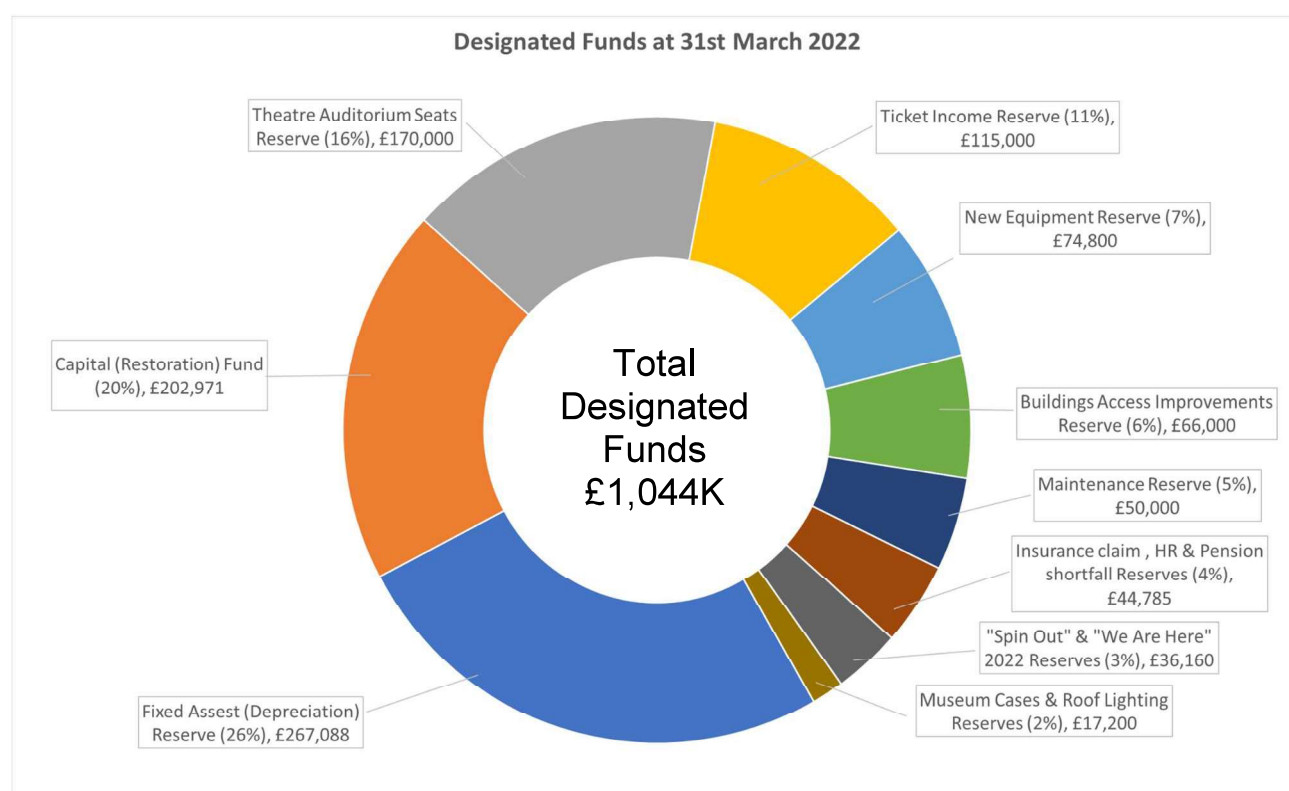
The Fixed Assets (Depreciation) Reserve (£267K) will be used over 7 to 10 years, in line with the expected life span of the various fixed assets being depreciated.

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.



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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

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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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### **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**

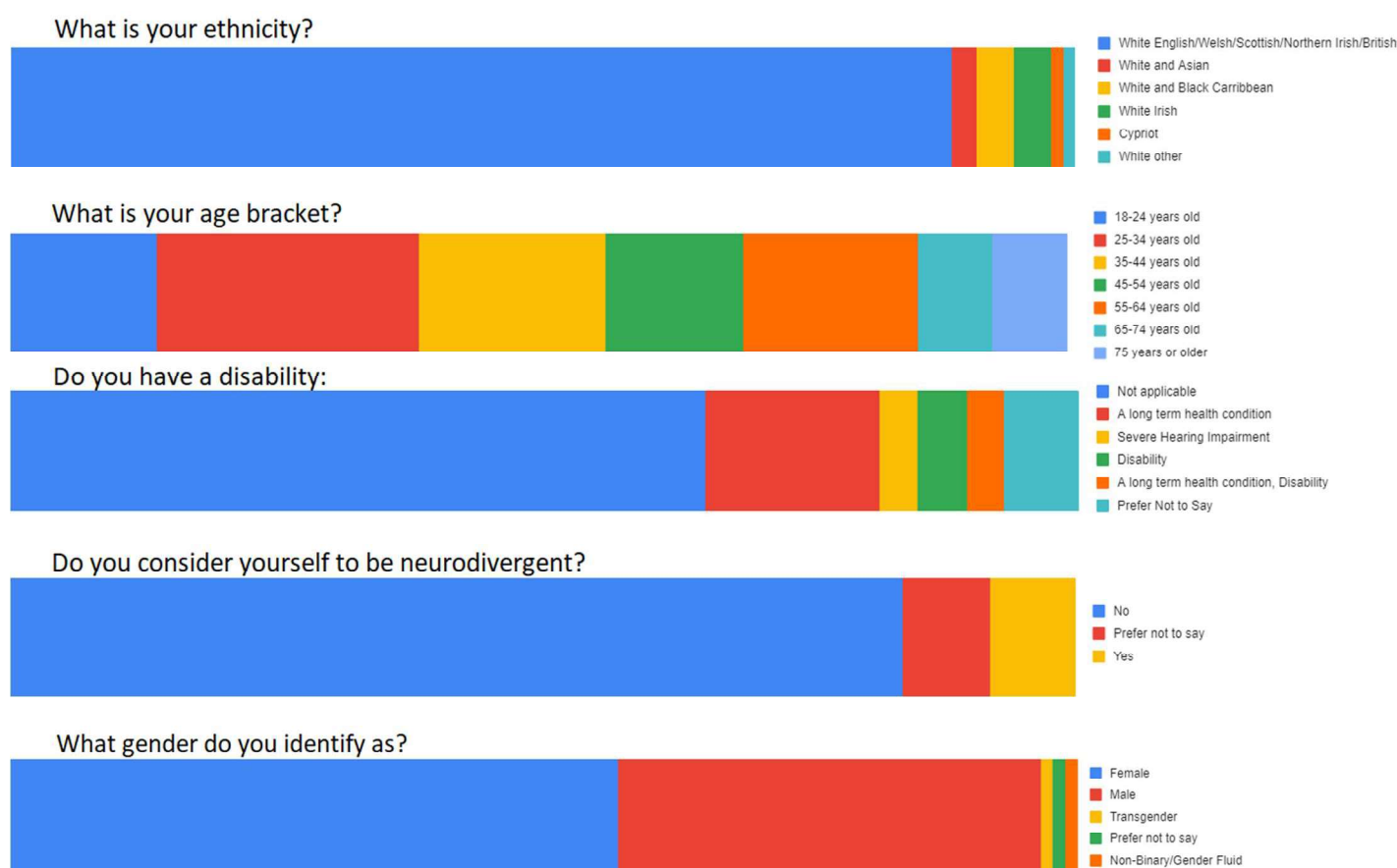
The Charity has a wholly owned trading subsidiary company which was activated during the 2021/22 financial year to carry out activities which do not directly further the CIO's charitable purposes, but which will raise funds for the CIO (including Bars/Kiosks/Venue Hire and Retail).

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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## 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.

## **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

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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.

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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*

**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

		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2022</b>	<b>Total 2021*</b>
	<b>Note</b>				
<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>		<b>4,084,091</b>	<b>262,234</b>	<b>4,346,325</b>	<b>2,828,970</b>
<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>		<b>3,733,382</b>	<b>269,480</b>	<b>4,002,862</b>	<b>2,419,075</b>
<b>Net income</b>		<b>350,709</b>	<b>(7,246)</b>	<b>343,463</b>	<b>409,895</b>
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>		<b>421,644</b>	<b>1,819</b>	<b>423,463</b>	<b>10,895</b>
<b>TOTAL FUNDS AT 1 APRIL 2021</b>	18	<b>39,929</b>	<b>6,015</b>	<b>45,944</b>	<b>35,049</b>
<b>TOTAL FUNDS AT 31 MARCH 2022</b>	18	<b>461,573</b>	<b>7,834</b>	<b>469,407</b>	<b>45,944</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 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**

		<b>2022</b>	<b>2021</b>
	<b>Note</b>		
<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
		<hr/>	<hr/>
		3,412,256	3,029,743
CREDITORS: Amounts falling due within one year	16	(2,177,438)	(2,235,574)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		1,234,818	794,169
CREDITORS: Amounts falling after more than one year		(187,500)	(233,333)
		<hr/>	<hr/>
<b>NET ASSETS excluding pension liability</b>	18	1,314,407	751,944
Defined benefit pension scheme liability		(845,000)	(706,000)
		<hr/>	<hr/>
		469,407	45,944
		<hr/>	<hr/>
<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)
		<hr/>	<hr/>
<b>TOTAL FUNDS</b>		469,407	45,944
		<hr/>	<hr/>

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**

		<b>2022</b>	<b>2021</b>
	<b>Note</b>		
<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
		<hr/>	<hr/>
		3,298,131	3,029,743
CREDITORS: Amounts falling due within one year	16	(2,063,312)	(2,235,574)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		1,234,819	794,169
CREDITORS: Amounts falling after more than one year		(187,500)	(233,333)
		<hr/>	<hr/>
<b>NET ASSETS excluding pension liability</b>	18	1,314,408	751,944
Defined benefit pension scheme liability		(845,000)	(706,000)
		<hr/>	<hr/>
		469,408	45,944
		<hr/> <hr/>	<hr/> <hr/>
<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)
		<hr/>	<hr/>
<b>TOTAL FUNDS</b>		469,408	45,944
		<hr/> <hr/>	<hr/> <hr/>

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 2022 £</b>	<b>Restricted 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted 2021 £</b>	<b>Restricted 2021 £</b>	<b>Total 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**

	Live Events	Film	Museum	Education	2022	2021
	£	£	£	£	£	£
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>

	Live Events	Film	Museum	2021
	£	£	£	£
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>29,859</u>	<u>19,407</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**

Subsidiary name	Worthing Theatres & Museum (Trading) Limited		
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		 1	 -
		<u>          </u>	<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>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
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>          </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	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>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	187,500	233,333	187,500	233,333
	<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 2022

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

	Unrestricted funds 2022 £	Designated funds 2022 £	Pension funds 2,022 £	Restricted fund 2022 £	Total 2022 £
<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>

**Charity**

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>

	Unrestricted funds 2021 £	Designated funds 2021 £	Pension funds 2,021 £	Restricted fund 2022 £	Total 2022 £
<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	-
	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
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
	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
<b>TOTAL Funds</b>	<b>45,944</b>	<b>4,346,325</b>	<b>(4,002,862)</b>	<b>80,000</b>	<b>469,407</b>

**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> £ '000	<b>2021</b> £ '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> £ '000	<b>2021</b> £ '000
Service cost less contributions	202	87
Net interest cost	<u>17</u>	<u>8</u>
	<u>219</u>	<u>95</u>

**Changes in the present value of defined benefit obligations were as follows:**

	<b>2022</b> £ '000	<b>2021</b> £ '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	<u>368</u>	<u>230</u>
<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> £ '000	<b>2021</b> £ '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> £ '000	<b>2021</b> £ '000
Pension Fund	(845)	(706)

## **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

		Unrestricted funds	Restricted funds	Total 2021
	Note			
<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><u>39,929</u></u>	<u><u>6,015</u></u>	<u><u>45,944</u></u>