



Registered Charity Number: 1185189

WORTHING THEATRES & MUSEUM

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2024

WORTHING THEATRES & MUSEUM

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CHARITY INFORMATION

For the year ended 31st March 2024

Reference and administrative details

Trustees

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

Executive and Senior Management

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

Executive Team:

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

Senior Management Team:

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

Charity Registered number:

1185189

Principal Office:

Connaught Theatre
Union Place
Worthing
BN11 1LG

Secretary:

J Stewart

Auditors:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Principal Bankers:

Barclays Bank
1 Chapel Road
Worthing
BN11 1EX

WORTHING THEATRES & MUSEUM
TRUSTEES' REPORT
For the year ended 31st March 2024

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

Foreword by Scott Marshall, Chair

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

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

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

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

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

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

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

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

Executive Team Report

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

Financial stability¹

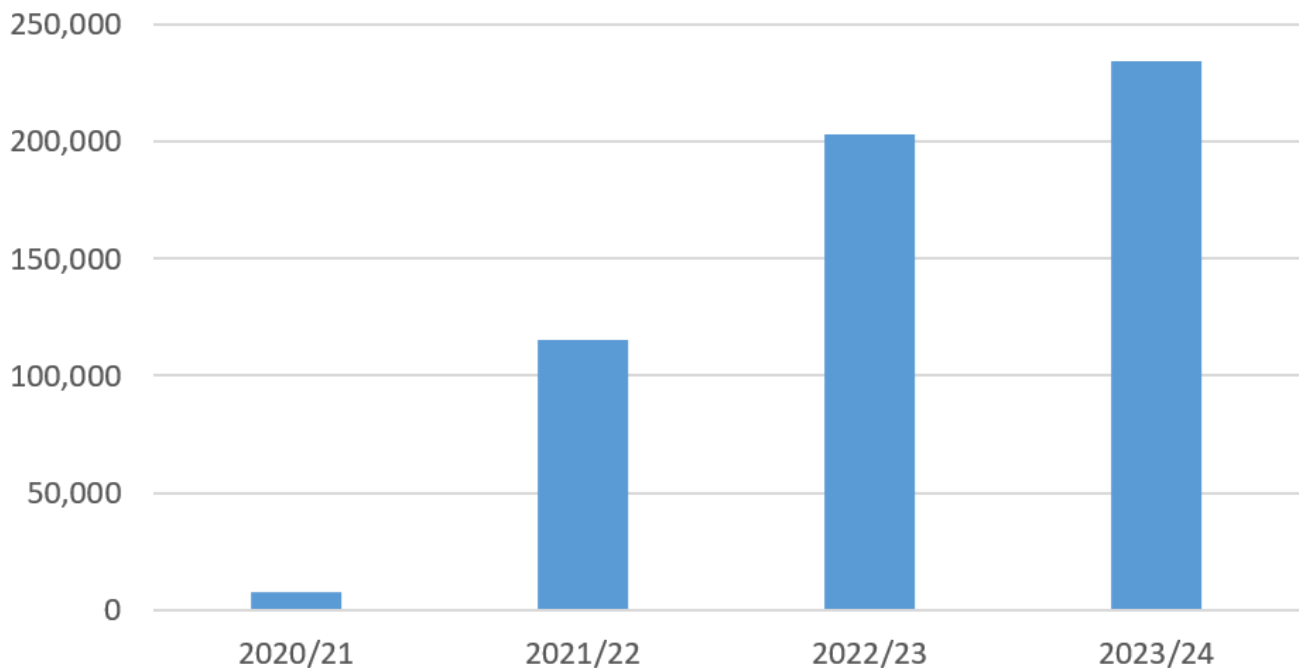
At the end of the 2023/24 financial year total trading income at WTM was £3,571,700. This included £2,376,500 of income from the sale of 196,972 tickets for WTM events; a further £215,000 from venue hire, with an additional 44,935 tickets sold (culminating in a total of 241,907 tickets sold), as well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

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

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

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

WTM Ticket Sales



TRG Arts' Benchmark data² examined ticket and sales data of 129 theatres in the UK which showed a dramatic growth from the pandemic low of 2020 - demand has grown and more tickets are selling which is certainly true of WTM with a strong year on year growth in tickets sales. However, despite this positive trend, inflation has risen by 21% since 2019 so theatres across the country are putting on more shows, selling more tickets and building demand but with average ticket prices only increasing by 12% for the 129 theatres, the ticket increase has not kept pace with inflation. We are feeling the impact of every other industry, particularly utilities, raising their prices whilst theatres remain sensitive to the cost of living crisis and the effect increased ticket prices would have on our audiences; potentially adding to their economic burden or worse, and may discourage them from buying tickets at all. This situation is preventing the industry from fully recovering. We are combatting this in 2024/25 by developing our dynamic ticket pricing and focusing on our secondary spend with new software to support pre show and interval drinks orders and merchandise at the point of ticket sale.

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

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

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

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

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

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

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

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

Looking Forward

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

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

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

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

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

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

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

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

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

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

Amanda O'Reilly, Creative Director & CEO

Jill Stewart, Executive Director (Company Secretary)

Our Vision

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

Our Mission

To enable everyone to access arts and heritage by:

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

Our Values

In everything we do we will:

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

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

Who We Are and What We Do

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

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

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

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

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

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

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

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

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

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

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

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

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

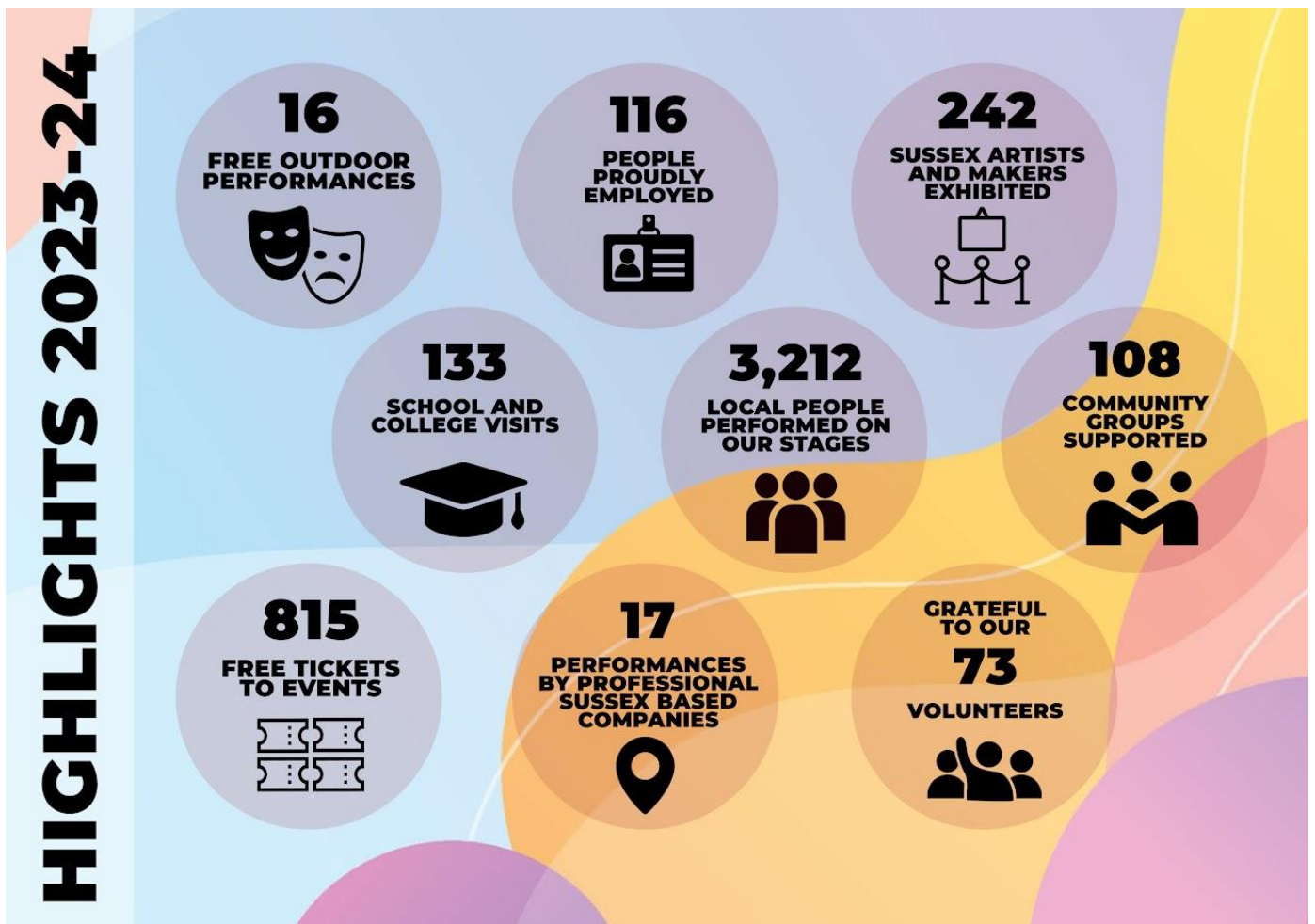
WTM offers an inspiring and supportive workplace that promotes unity and diversity, opposing all forms of discrimination, providing an environment where differences and what we have in common are celebrated. We engage with responsible and respectful working practices and empower our team to shape and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

Serving our community - a positive social impact

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

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

23% of our performance programme is local / community use



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

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

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

Our exhibition programme also featured work by diverse artists including:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Programme development – a vibrant cultural and heritage offer

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

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

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

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

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

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

Live Events

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

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

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

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

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

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

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

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

Pantomime

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

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

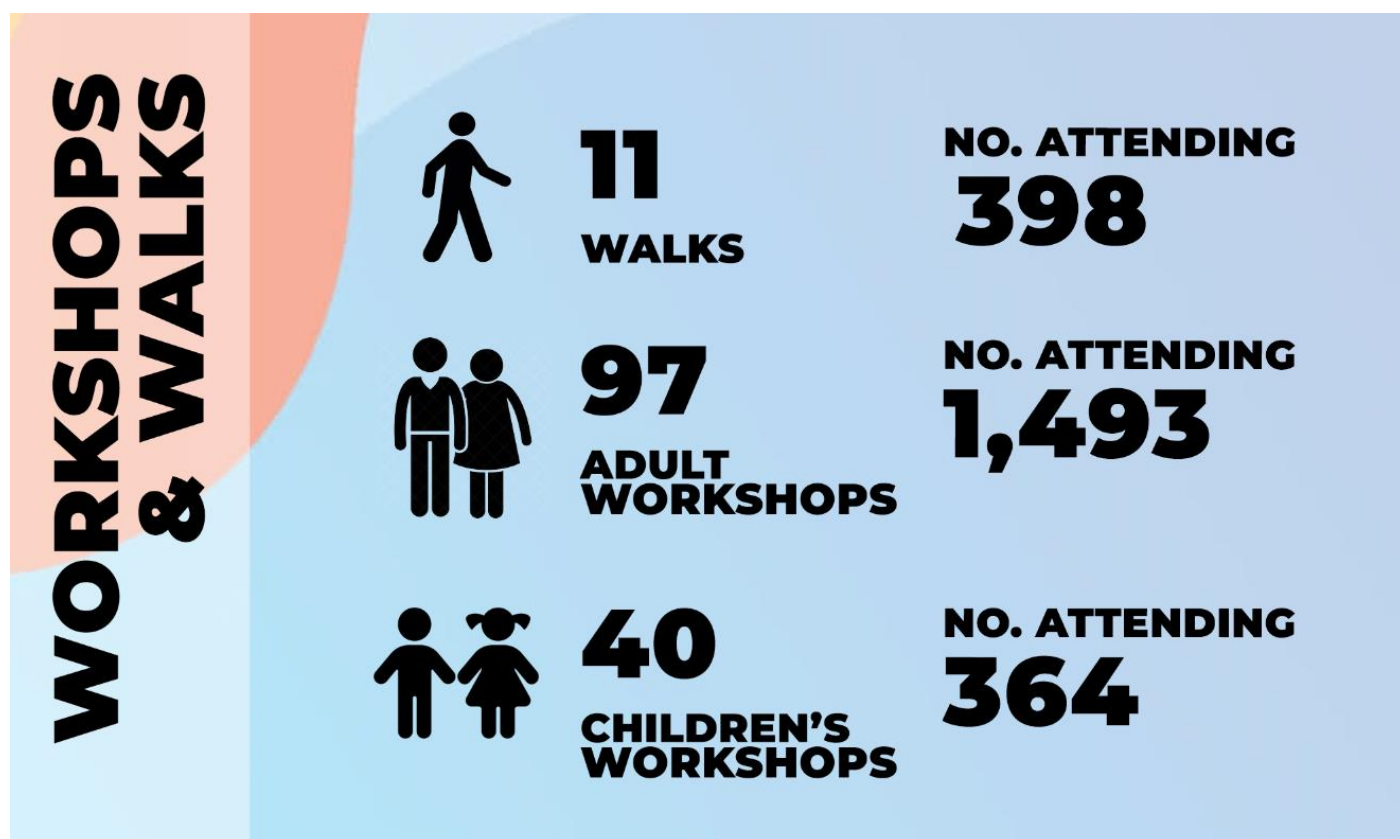
Film

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

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

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

Participation



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

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

Museum

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



Main Gallery:

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

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

Studio Gallery & Norwood Gallery:

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

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

Collection management

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

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

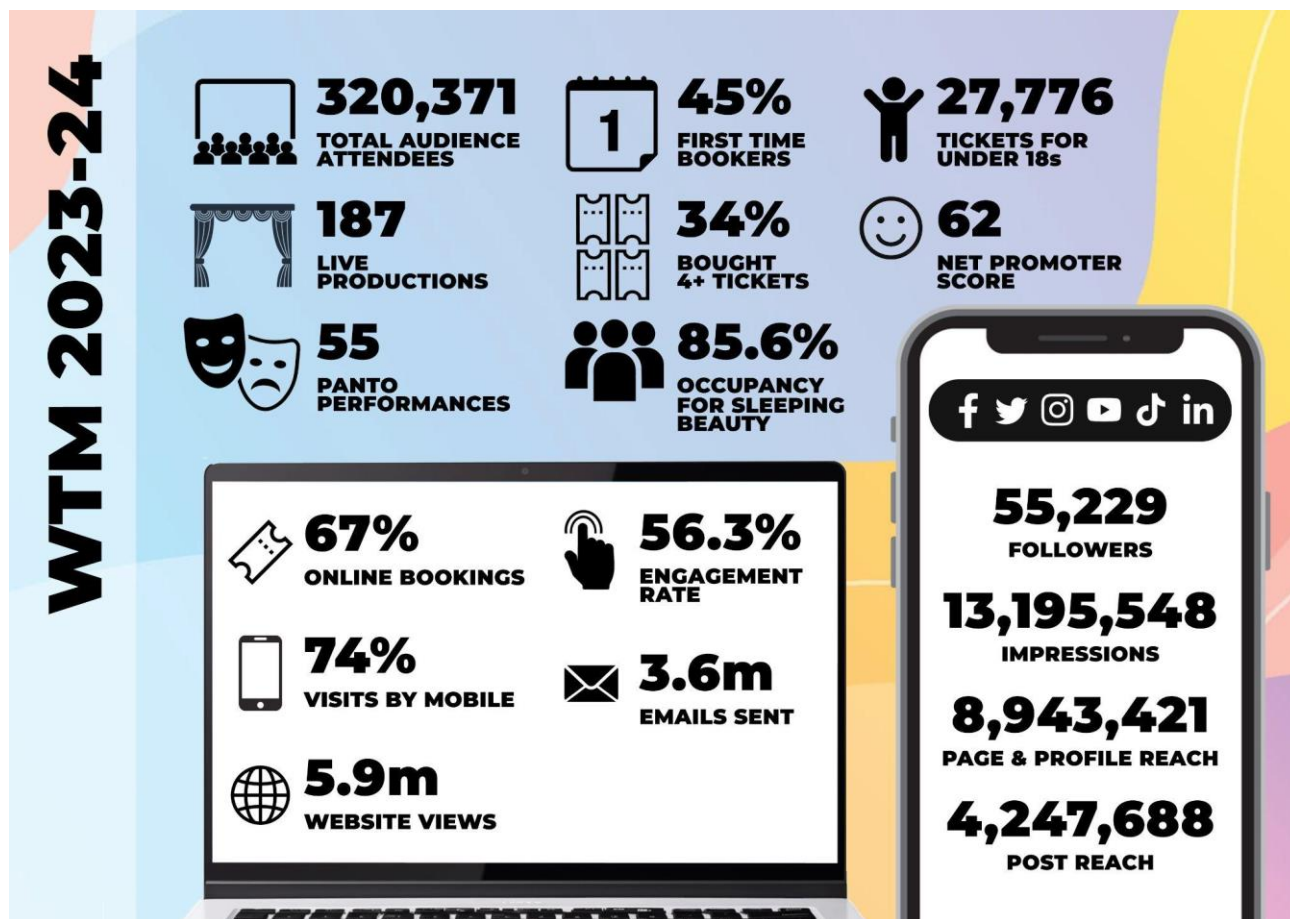
Loans out -

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

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

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

Marketing & Sales

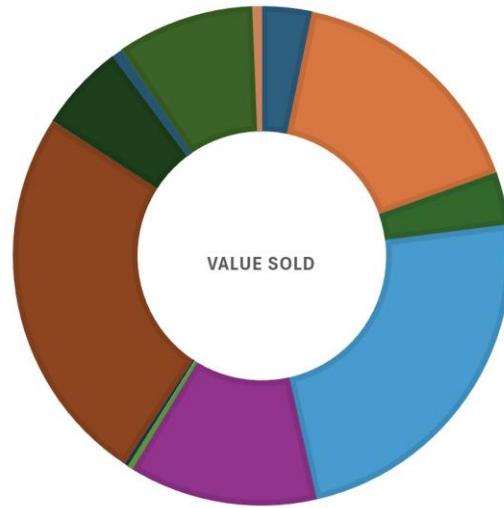
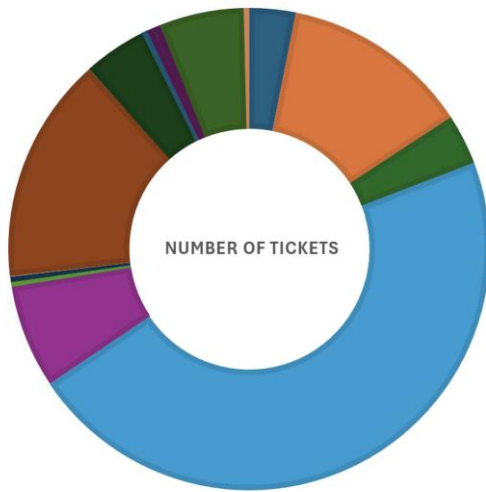


The cost-of-living crisis is not just a statistic, it is a reality that is significantly impacting the arts, culture, and heritage sector. The latest results from the Culture Participation Monitor paint a stark picture - people are attending cultural events less frequently than before the pandemic (38%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

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

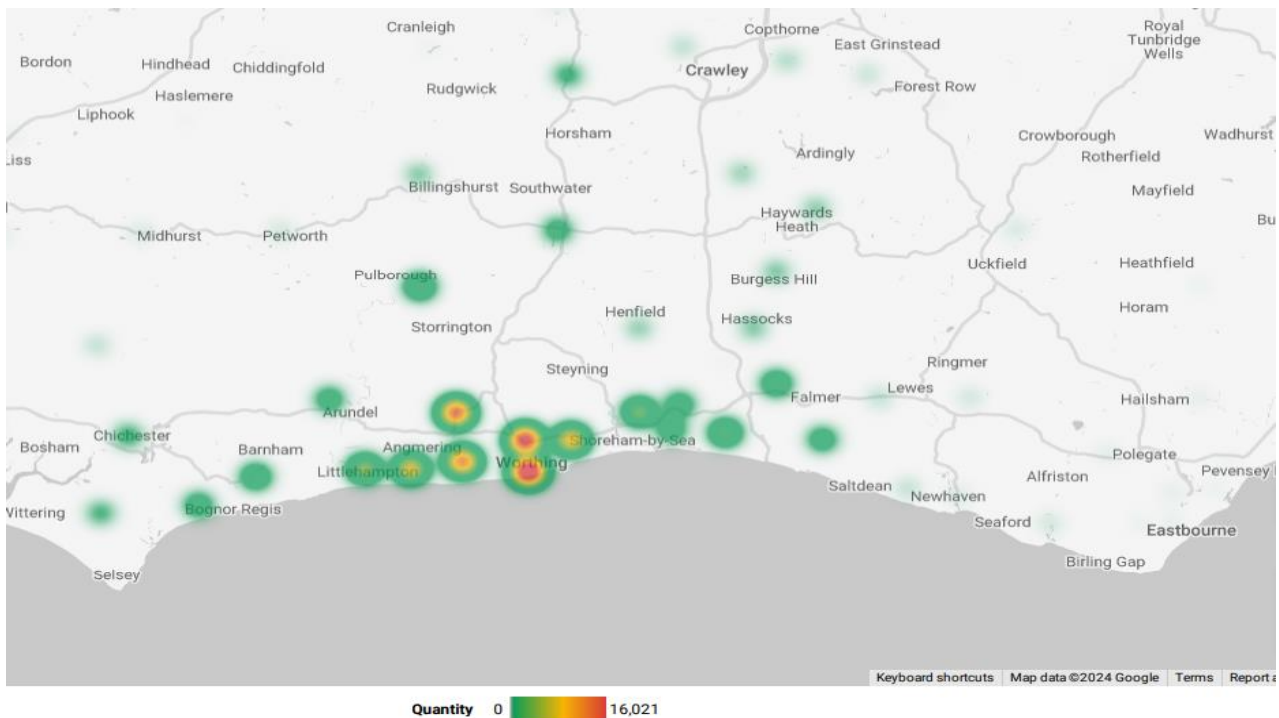
Film continues to be the number one driver of audience numbers, followed by music and panto; however, this is not the same with the income generated due to the very low ticket price for non-screen arts films, with the average ticket price of around £6.50

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



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

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



Audience Development

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

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

Sustainability - Make Our Venues Green

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

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

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

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

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

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

Operations

Customer Experience

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

“...Great staff, comfortable seating and lovely atmosphere 🍷”

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

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

Bars & Concessions

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

Highlights of the year included:

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

Venue Hire

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

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

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

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

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

Technical & Production

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

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

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

Buildings and Access

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

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

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

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

Capital Redevelopment

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

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

Fundraising & Development

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

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

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

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

Financial Stability

Overview

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

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

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

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

Other designated reserves remained largely unchanged.

Income and Expenditure

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

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

Restricted Funds

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

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

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

Cashflow

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

Local Authority Funding

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

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

Reserves

We group our designated reserves into two categories:

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

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

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

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

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

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

Gain Share Agreement

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

WTM Accumulative Reserves Analysis

31st March 2024 31st March 2023

| Unrestricted Free Reserves | A | £ | 125,804 | £ | 125,065 |
|----------------------------|---|---|---------|---|---------|
|----------------------------|---|---|---------|---|---------|

Designated Reserves for Key Risks & Uncommitted Expenditure

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

| | | | | | |
|--|----------|----------|----------------|----------|----------------|
| Sub-Total Designated Reserves for Key Risks & Uncommitted Expenditure | B | £ | 345,588 | £ | 360,213 |
|--|----------|----------|----------------|----------|----------------|

| | | | | | |
|--|------------|----------|----------------|----------|----------------|
| Sub-Total Risk Reserve (for Gain Share) | A+B | £ | 471,392 | £ | 485,278 |
|--|------------|----------|----------------|----------|----------------|

Committed Expenditure + Restoration Levy Fund

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

| | | | | | |
|--|----------|----------|----------------|----------|----------------|
| Sub-Total Committed Expenditure + Restoration Levy Reserves | C | £ | 763,949 | £ | 788,458 |
|--|----------|----------|----------------|----------|----------------|

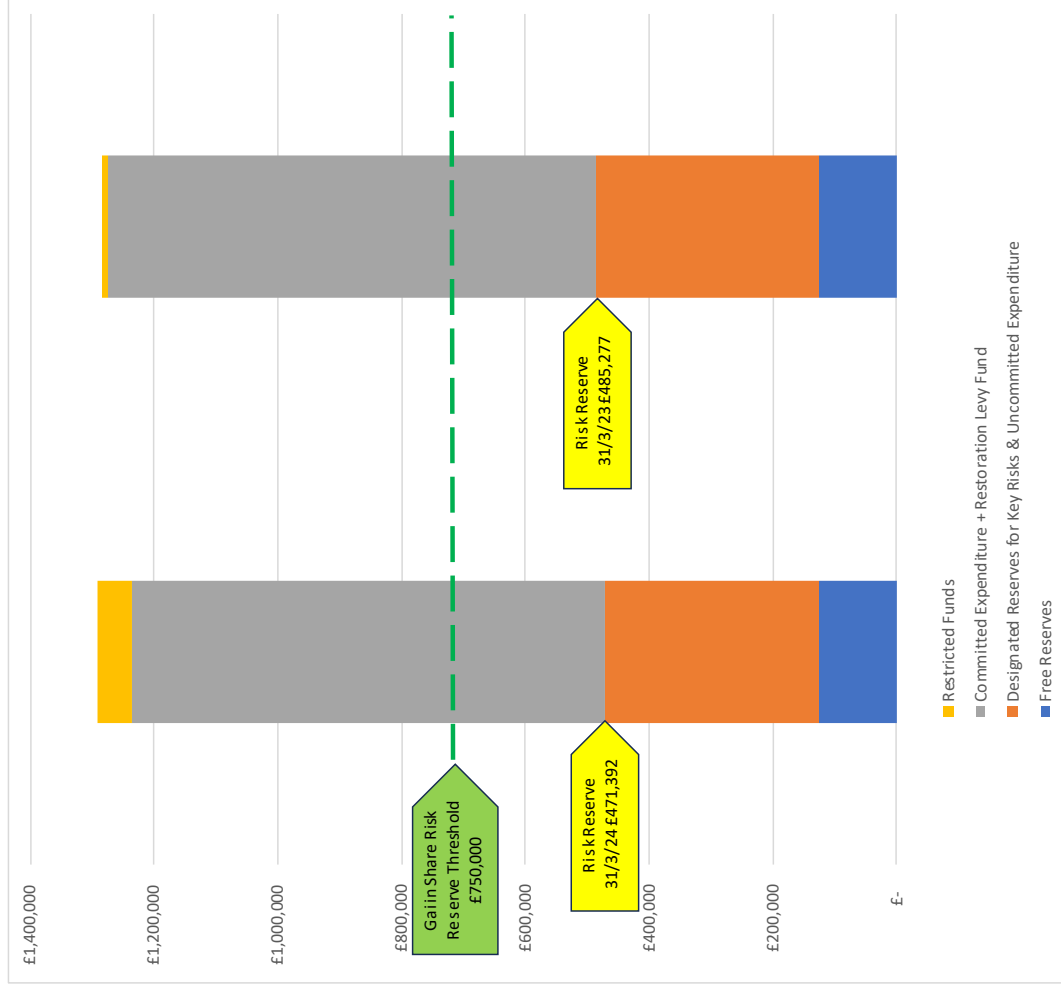
| | | | | | |
|-------------------------------|----------------|----------|------------------|----------|------------------|
| TOTAL Designated Funds | D (B+C) | £ | 1,109,537 | £ | 1,148,671 |
|-------------------------------|----------------|----------|------------------|----------|------------------|

| | | | | | |
|----------------------|----------------|----------|------------------|----------|------------------|
| General Funds | E (A+D) | £ | 1,235,341 | £ | 1,273,736 |
|----------------------|----------------|----------|------------------|----------|------------------|

| | | | | | |
|---|----------|----------|---------------|----------|--------------|
| Restricted Funds (See note 20 for break) | F | £ | 56,935 | £ | 9,670 |
|---|----------|----------|---------------|----------|--------------|

| | | | | | |
|--------------------|------------------|----------|------------------|----------|------------------|
| TOTAL Funds | G (E + F) | £ | 1,292,276 | £ | 1,283,406 |
|--------------------|------------------|----------|------------------|----------|------------------|

31st March 2024 31st March 2023



Going Concern

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

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

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

Risk Register

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

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

Reduction or non-payment of Council Service Fee

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

Information Technology

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

Reduction of Capital Funding

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

Structure, Governance and Management

Constitution

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

Board of Trustees and Executive Management Team

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

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

Board Development

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

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

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

Organisational Structure and Decision Making

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

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

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

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

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

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

Composition of our Charity and Trading Subsidiary Boards

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

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

Methods of Appointment of Trustees and Terms of Office

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

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

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

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

Policies Adopted for the Induction and Training of Trustees

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

Committees

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

Finance and Audit Committee

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

Nominations Committee

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

Remuneration Committee

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

Fundraising and Capital

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

capital projects rely upon fundraising.

Capital Projects Committee

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

Fundraising Campaign Committee

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

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

2023/24 Working Groups

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

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

Change Advisory Board (CAB)

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

Risk Management

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

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

Trading Subsidiary Company - non charitable trading

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

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

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

Our Teams

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

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

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

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

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

Our Team's Equity, Diversity and Inclusion

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

Our Staff

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

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

Our Volunteers

Developing diversity through Volunteering -

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

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and Charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

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

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

Disclosure of Information to Auditors

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

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

Auditors

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

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



.....
Scott Marshall
Chair

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

Opinion

We have audited the financial statements of Worthing Theatres & Museum for the year ended 31st March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the charity balance sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31st March 2024 and of the group's net movement in funds for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, the Chair's statement, and the Executive Team Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we

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

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

Matters on which we are required to Report by Exception

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

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

Responsibilities of Trustees for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Inspecting correspondence with regulators.

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

- 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. This description forms part of our auditor's report.

Use of Our Report

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



Haysmacintyre LLP
Statutory Auditors

31 July 2024

Date:

10 Queen Street Place
London
EC4R 1AG

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

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

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

WORTHING THEATRES & MUSEUM
GROUP STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st March 2024

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

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

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

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

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

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

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

scott marshall

Scott Marshall
Chair

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

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

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

scott marshall

.....
Scott Marshall
Chair

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

WORTHING THEATRES & MUSEUM
GROUP STATEMENT OF CASH FLOWS
for the year ended 31st March 2024

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

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

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

B. Analysis of changes in net debt

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

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

1. GENERAL INFORMATION

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

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st 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 1st April 2005 which has since been withdrawn.

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

2.2 Going concern

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

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

2.3 Income

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

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

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

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

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

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

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

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

2.4 Expenditure

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

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

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

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

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For the year ended 31st March 2024

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Council Service Fee

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

2.6 Interest receivable

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

2.7 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following basis:

Fixtures, fittings and equipment: 7 - 10 years

2.8 Stocks

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

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities

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

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

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

2.12 Financial instruments

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

2.13 Pensions

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

2.14 Fund accounting

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

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

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

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

2.15 Critical accounting estimates and areas of judgement

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

3. INCOME FROM DONATIONS AND GRANTS

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

4. INCOME FROM CHARITABLE ACTIVITIES

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

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

5. TRADING INCOME

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

All trading income in 2024 and 2023 was unrestricted.

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

6. INVESTMENT INCOME

| | 2024 | 2023 |
|---------------------|---------------|---------------|
| | £ | £ |
| Interest receivable | 59,415 | 26,172 |
| | <u>59,415</u> | <u>26,172</u> |

All investment income in 2024 and 2023 was unrestricted.

7. EXPENDITURE ON RAISING FUNDS

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

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

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

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

9. ANALYSIS OF DIRECT COSTS

| | Theatres | Museum | 2024 | 2023 |
|----------------------------|------------------|----------------|------------------|------------------|
| | £ | £ | £ | £ |
| LGPS Pension Finance costs | - | - | - | 75,865 |
| Staff costs | 991,672 | 186,348 | 1,178,020 | 1,011,429 |
| Equipment | 38,609 | 423 | 39,032 | 36,584 |
| Insurance | 44,528 | 24,414 | 68,942 | 55,116 |
| IT | 6,304 | 4,594 | 10,898 | 4,981 |
| Premises costs | 258,125 | 42,695 | 300,820 | 278,666 |
| Professional fees | - | - | - | - |
| Marketing | - | - | - | - |
| Other | 65,501 | 9,533 | 75,034 | 68,856 |
| Rates | 4,295 | 1,925 | 6,220 | - |
| Repairs and Maintenance | 71,910 | 6,082 | 77,992 | 103,934 |
| Artist fees | 1,028,616 | - | 1,028,616 | 1,062,334 |
| Production costs | 34,138 | 140 | 34,278 | 13,801 |
| Film Rental | 256,441 | - | 256,441 | 193,047 |
| | <u>2,800,139</u> | <u>276,154</u> | <u>3,076,293</u> | <u>2,904,613</u> |
| | | | | |
| | Theatres | Museum | 2023 | |
| | £ | £ | £ | |
| LGPS Pension Finance costs | 54,967 | 20,898 | 75,865 | |
| Staff costs | 842,914 | 168,515 | 1,011,429 | |
| Equipment | 34,260 | 2,324 | 36,584 | |
| Insurance | 32,780 | 22,336 | 55,116 | |
| IT | 4,981 | - | 4,981 | |
| Premises costs | 226,919 | 51,747 | 278,666 | |
| Professional fees | - | - | - | |
| Marketing | - | - | - | |
| Other | 57,508 | 11,348 | 68,856 | |
| Rates | - | - | - | |
| Repairs and Maintenance | 99,540 | 4,394 | 103,934 | |
| Artist fees | 1,062,334 | - | 1,062,334 | |
| Production costs | 12,580 | 1,221 | 13,801 | |
| Film Rental | 193,047 | - | 193,047 | |
| | <u>2,621,830</u> | <u>282,783</u> | <u>2,904,613</u> | |

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

10. ANALYSIS OF SUPPORT COSTS

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

11. NET MOVEMENT IN FUNDS

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

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

12. STAFF COSTS

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

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

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

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

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

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

| | 2024 | 2023 |
|--|----------------|----------------|
| | £ | £ |
| Total remuneration of key management personnel | <u>513,700</u> | <u>494,988</u> |

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

13. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

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

| | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Turnover | 801,458 | 697,190 |
| Expenditure | (801,458) | (697,190) |
| | <u>-</u> | <u>-</u> |
| Profit on ordinary activities after taxation | <u>-</u> | <u>-</u> |
| Total assets as at 31 st March 2023 | 489,607 | 125,606 |
| Total liabilities as at 31 st March 2023 | (489,606) | (125,605) |
| Capital and reserves | <u>1</u> | <u>1</u> |

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

14. TANGIBLE FIXED ASSETS
Group and Charity

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

15. Stock

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

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

16. DEBTORS

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

17. CREDITORS: amounts falling due within one year

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

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

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

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

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

18. CREDITORS: amounts falling due after one year

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

Charity

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

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

WORTHING THEATRES & MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

20. STATEMENT OF FUNDS

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

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2024

20. STATEMENT OF FUNDS (continued)

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

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

⁴ Ticket Levy income of £178,364 for 2023/24 was all spent on appropriate costs during the 2023/24 year.

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20. STATEMENT OF FUNDS – Comparative Statement

| Group | At 1 April 2022 £ | Income £ | Expenditure £ | Transfers, Gains and Losses £ | At 31 March 2023 £ |
|---|----------------------------------|---------------------|--------------------------|--|-----------------------------------|
| Restricted funds | | | | | |
| Restricted Museum Donations | - | 100 | - | - | 100 |
| British Film Institute Grants | 4,596 | - | (4,596) | - | - |
| Google Ads | - | 37,839 | (37,839) | - | - |
| Royal Pavilion and Museums Trust | 412 | 3,000 | (1,000) | - | 2,412 |
| Creative Futures Campaign | - | 7,699 | - | (2,890) | 4,809 |
| Holiday, Activities & Food programme | - | 6,191 | (3,842) | - | 2,349 |
| Warm Spaces | - | 500 | (3,390) | 2,890 | - |
| Access to Work | - | 2,478 | (2,478) | - | - |
| London Film Festival | - | 750 | (750) | - | - |
| Kickstart Grant | 2,826 | - | (2,826) | - | - |
| | <u>7,834</u> | <u>58,557</u> | <u>(56,721)</u> | <u>-</u> | <u>9,670</u> |
| Designated Funds | | | | | |
| Reserves for Key Risks & Uncommitted Expenditure | | | | | |
| Ticket Income Reserve | 115,000 | - | - | - | 115,000 |
| New Equipment | 74,800 | - | - | - | 74,800 |
| Maintenance | 50,000 | - | - | - | 50,000 |
| Insurance Claim Shortfall | 12,000 | - | - | - | 12,000 |
| HR Reserve | 12,000 | - | - | - | 12,000 |
| Pension Strain | 20,000 | - | - | - | 20,000 |
| Buildings Access Improvements | 70,000 | - | - | (41,587) | 28,413 |
| Essential Website Development | - | - | - | 48,000 | 48,000 |
| | <u>353,800</u> | <u>-</u> | <u>-</u> | <u>6,413</u> | <u>360,213</u> |
| Committed Expenditure + Restoration Levy Fund | | | | | |
| Restoration Levy Fund | 202,971 | - | - | 141,670 | 344,641 |
| Future Depreciation of Fixed Assets | 267,089 | - | - | (15,933) | 251,156 |
| Theatre Auditorium Seats | 166,000 | - | - | 11,714 | 177,714 |
| Museum Display Cases | 13,200 | - | - | (2,253) | 10,947 |
| Museum Lighting | 4,000 | - | - | - | 4,000 |
| Spin Out 2022 | 22,710 | 5,000 | - | (27,710) | - |
| We Are Here 2022 | 13,450 | - | - | (13,450) | - |
| Ringfenced Staff costs | 785 | - | (785) | - | - |
| | <u>690,205</u> | <u>5,000</u> | <u>(785)</u> | <u>94,038</u> | <u>788,458</u> |
| Total Designated Funds | <u>1,044,005</u> | <u>5,000</u> | <u>(785)</u> | <u>100,451</u> | <u>1,148,671</u> |
| Pension reserve | <u>(845,000)</u> | <u>-</u> | <u>(183,000)</u> | <u>1,028,000</u> | <u>-</u> |
| Free reserves | <u>262,568</u> | <u>4,664,985</u> | <u>(4,702,038)</u> | <u>(100,451)</u> | <u>125,065</u> |
| General Funds | <u>461,573</u> | <u>4,669,985</u> | <u>(4,885,823)</u> | <u>1,028,000</u> | <u>1,273,736</u> |
| TOTAL Funds | <u>469,407</u> | <u>4,728,542</u> | <u>(4,942,544)</u> | <u>1,028,000</u> | <u>1,283,406</u> |

21. PENSION COMMITMENTS

People's Pension Scheme

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £15,844 (2023: £12,407). Contributions totalling £7,266 (2023: £6,104) were payable to the fund at the balance sheet date and are included in creditors.

Local Government Pension Scheme (LGPS)

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

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

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

From this year, there is no longer a requirement to include in the charity's balance sheet any assets or liabilities in relation to historic liabilities for the LGPS fund due to the pass-through arrangement.

Whilst there is no liability for the overall deficit on the scheme, there are potential future liabilities in relation to pension strain. WTM insures against pension strain due to early retirement due to ill-health. There may be potential future contingent liabilities that would be provided for in the financial statements should they arise. At 31 March 2024 and 31 March 2023 no such liabilities had crystallised.

Contributions totalling £12,028 (2023: £14,423) were payable to the scheme at the balance sheet date and are included in creditors.

The total contributions made for the year ended 31st March 2024 was £156K (2023: £157K).

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22. Related Party Transactions

During the year the charity recharged its wholly owned subsidiary, Worthing Theatres & Museum (Trading) Limited £238,560 (2023: £174,295) for services and management charge. At the year end Worthing Theatres & Museum (Trading) Limited owed the charity £272,184 (2023: £15,363)

Our Trustee, Andrew Comben is Chief Executive of Brighton Dome & Brighton Festival who provide Worthing Theatres & Museum with Payroll, Accounting and HR support/advice (Value for 2023/24 £40,305 (2022/23 £37,839)

Our Trustee and Director of our Trading Subsidiary, Andy Sparsis, is the Owner of The Fish Factory who occasionally provide WTM with food for our HAF programme (Value for £2023/24 £882)

There were no outstanding fees relating to these services as at 31st March 2023.

There were no other related party transactions.

23. CAPITAL COMMITMENTS

As at 31st March 2024 there were not Capital commitments

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24. Detailed Comparative Statement of Financial Activity

This is a breakdown by fund of the items shown in the Statement of Financial Activities on page 43.

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2023 £ |
|---|-------------|-------------------------------------|-----------------------------------|-----------------------------|
| Income from | | | | |
| Donations and grants | 3 | 29,191 | 58,557 | 87,748 |
| Charitable activities | 4 | 3,917,889 | - | 3,917,889 |
| Trading activities | 5 | 696,733 | - | 696,733 |
| Investments | 6 | 26,172 | - | 26,172 |
| Total income | | <u>4,669,985</u> | <u>58,557</u> | <u>4,728,542</u> |
| Expenditure on | | | | |
| Raising funds | 7 | 847,520 | - | 847,520 |
| Charitable activities | 8 | 4,038,303 | 56,721 | 4,095,024 |
| Total expenditure | | <u>4,885,823</u> | <u>56,721</u> | <u>4,942,544</u> |
| Net income | | <u>(215,838)</u> | <u>1,836</u> | <u>(214,002)</u> |
| Transfers between funds | | - | - | - |
| Actuarial (losses)/gains on defined benefit pension schemes | | 1,028,000 | - | 1,028,000 |
| Net movement in funds | | <u>812,162</u> | <u>1,836</u> | <u>813,999</u> |
| TOTAL FUNDS AT 1 APRIL 2022 | 20 | <u>461,573</u> | <u>7,834</u> | <u>469,407</u> |
| TOTAL FUNDS AT 31 MARCH 2023 | 20 | <u>1,273,735</u> | <u>9,670</u> | <u>1,283,406</u> |