

Registered number: 11774969
Charity number: 1186986

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2023

Royal Pavilion and Museums Trust
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Reference and administrative details of the Company, its Trustees and advisers
For the year ended 31 March 2023

| | |
|----------------------------------|--|
| Trustees | Michael Bedingfield DL, Chair Dr Angela Smith, Chair Finance & General Purpose Committee Atiya Gourlay Brad Irwin Councillor Alan Robins Councillor Phelim MacCafferty (resigned 1 June 2022) Councillor Stephen Bell CBE (resigned 17 May 2023) David James Charles Anderson OBE Davinder Dhillon OBE DL Jane Avarad Weeks, Vice Chair Lord John Steve Bassam Rebecca Crook, Chair of RPMT Enterprises Ltd Shaun Romain Sue Wilkinson OBE, Chair Nominations & Remuneration Committee & ACE Oversight Committee Timothy John Mellor Aspinall Susan Elizabeth Shanks (appointed 28 July 2022) Amanda Grimshaw BEM (appointed 29 June 2023) |
| Company registered number | 11774969 |
| Charity registered number | 1186986 |
| Registered office | 4-5 Pavilion Buildings Brighton BN1 1EE |
| Chief executive officer | Hedley Swain |
| Independent auditors | Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ |

Royal Pavilion and Museums Trust
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Trustees' report
For the year ended 31 March 2023

The Trustees present their annual report together with the audited financial statements of the Company for the period 1 April 2022 to 31 March 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The period 2022-23 represented the second full year of trading for the Royal Pavilion & Museums Trust (RPMT, also referred to as Brighton & Hove Museums (B&HM)). The Trust although incorporated in February 2020 did not take on the running of the Royal Pavilion & Museums service until 1 October 2020. The original transfer date of 1 April was delayed due to the COVID pandemic. These financial statements show a consolidated position which includes the Trust and Royal Pavilion & Museums Enterprises Ltd, the Trading subsidiary, and the Royal Pavilion & Museum Foundation of the RPMT. The Foundation, the charity previously linked to the Royal Pavilion & Museums, has since 1 October 2020 had one corporate Trustee, the Royal Pavilion & Museums Trust, and is maintained due to an existing endowment fund.

Objectives and activities

a. Policies and objectives

a) The Objects of the Charity are:

1. The advancement of, including the advancement of public appreciation in, the arts, culture, heritage, and science, in particular (without limitation) by:
 - managing, operating, maintaining and improving the Royal Pavilion & Museums and their permanent collections, including by acquiring suitable objects for the collections;
 - preserving and safeguarding the land and the buildings of the Royal Pavilion & Museums; and providing for, or supporting, the establishment, maintenance, refurbishment and enhancement of other exhibitions and displays of collections in the Brighton and Hove area; and
2. The advancement of education, particularly (but not exclusively), in relation to heritage, culture and the arts; and
3. The maintenance and provision of land and facilities for recreation or other leisure time occupation for the general public in the interests of social welfare and with the object of improving their condition of life.
4. Brighton & Hove Museums (BHM) shall mean the Royal Pavilion & Garden, Brighton Museum & Art Gallery, Preston Manor & Garden, Hove Museum of Creativity, and Booth Museum of Natural History.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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Trustees' report (continued)
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Objectives and activities (continued)

b. Strategies for achieving objectives

Following the successful transfer of The Royal Pavilion and Museums to the Trust in October 2020 the Trustees set targets and goals for our first five years:

In five years' time we aim to be the best Civic Museum Service in the country, with, at its heart, an Estate of World Heritage site status and an attraction on the must-see list for international visitors to the UK. In addition, we want to be a museum service that is bringing true value to all the people of Brighton & Hove who feel a real sense of ownership and involvement in its work.

Achieving this is reliant on a radical root and branch review of the new organisation to ensure it not only emerges from the unparalleled impact of COVID, and the challenges it has presented with a successful business model, but also that it emerges from the long-term uncertainty and working practices of local authority service to become a confident independent and forward-facing business.

Strategic Framework

After transfer on 1 October 2020 the Trust identified three head-line priorities as benchmarks for a successful service with a series of sub-priorities and three meta- or overarching priorities. These were endorsed by trustees and key stakeholders, shared with staff and formed the basis of the first two years' operational plan.

Our priorities

We will

- 1. Be a brilliant museum service for the people of Brighton & Hove:**
 - 1.1. Be inclusive and equitable in all we do, and occasionally be unconventional and disruptive.
 - 1.2. Have galleries, exhibitions, programmes, on-line content, and events that are expert, exciting, innovative, and relevant to all the people of Brighton & Hove and make their lives richer.
 - 1.3. Reflect the values of Brighton & Hove and do all we can to be environmentally sustainable; to source our services locally, be ethical and socially responsible.
 - 1.4. Manage our collections dynamically and look after our collections, buildings and green spaces to the very highest standards.
- 2. Offering world class visitor venues:**
 - 2.1. Ensure as many people as possible know about our venues and as many people as possible visit them.
 - 2.2. Ensure that our venues and everything that goes on in them offer great value for money, are well received and commented on, that people want to come back to them and recommend them to others.
- 3. Be well run, dynamic, resilient and sustainable:**
 - 3.1. Be enterprising, dynamic and fleet-of-foot in looking for opportunities to build our business model.
 - 3.2. Professionally manage our finances, maximizing every opportunity to raise funds for the wellbeing of the service. We will work within our financial means.
 - 3.3. Be receptive to all our stakeholders, most importantly Brighton & Hove City Council.
 - 3.4. Have excellent staff, look after them and make sure they are diverse and reflect the population of contemporary Brighton & Hove. We will take personal and collective responsibility for what we do. We will be kind to each other and those we come into contact with.
- 4. Meta priorities:**
 - 4.1. Be excellent in everything we do and will innovate in museum practice, being part of global museum debates and supporting the museum sector regionally.
 - 4.2. Have a world class reputation for excellence that enhances the position of Brighton nationally and internationally.
 - 4.3. Be a listening and learning organisation. We will always seek to listen to what others have to say. We will always seek to learn from each other and others, so we become a better organisation.

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Trustees' report (continued)
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Objectives and activities (continued)

Although many of the priorities above involve reviews and changes in process, we want all to be focused on long-term outcomes and impacts. For now, we will keep these simple but try to ensure everything we are doing is delivering to one or more of these outcomes:

- Increased wealth generation for the Trust.
- Higher quality engagement for B&H residents.
- Higher quality engagement for all visitors.
- Higher effectiveness of RPMT staff.

These priorities were adapted in the summer of 2022 when following a major rebranding exercise we adopted our new brand, mission and vision:

Mission & Vision

We are a world-renowned home for the curious, creative and progressive.
Many influences meet here – royal and rebel, dandy and dreamer, artist and activist – to form a collection of dynamic destinations that are greater than the sum of their parts.

We achieve this because we are:

- continually surprising people, including ourselves
- loved by locals and treasured by the world
- inspiring, and inspired by, the community around us
- sparking curiosity, starting conversations and sharing stories
- championing progress, diversity and sustainability

In autumn 2022 we were awarded a further three years funding from Arts Council England (ACE) as part of their 2023-26 National Portfolio. At that time we aligned our original strategic objectives and new mission and vision, priorities and work plan with ACE's ten year strategy "Lets Create". This revision was also used in our plan submitted to Brighton & Hove City Council (BHCC) in January 2023 and forms the basis of our 2023-24 service level agreement with BHCC.

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Trustees' report (continued)
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Objectives and activities (continued)

c. Activities undertaken to achieve objectives

For the majority of our first two years (2020-21 and 2021-22) the COVID pandemic had a severe effect on our ability to operate and demanded emergency actions. Thanks to Government interventions and careful management 2020-21 was successfully navigated although for the majority of the period many staff were on furlough and sites were shut. This situation continued into 2021-22 but with far less Government support and seriously curtailed income, the charity made a financial loss. We have also suffered as a result of changing passport and visa regulations for EU citizens visiting the UK – traditionally a very important source of visitors for the Royal Pavilion, particularly from English language students.

It was hoped that some level of normality would return in 2022-23 and indeed as the year progressed visitor numbers grew. However, the first few months of the year still saw much lower than needed visitor numbers and during the year other factors (inflation, energy price increases, political uncertainty etc.) made this again a difficult year financially. We are grateful to BHCC for providing a generous loan facility that has ensured we have been able to weather this very difficult period and plan for the future with a degree of confidence.

The 2022-23 year was used to continue structural, cultural and financial change to create an organisation capable of operating successfully as an independent charity into the future. These changes were beginning to bear real fruit in the later part of the year. Major progress was made in establishing organisational independence from BHCC, in building a successful commercial wing and in improving income generating ability.

Despite the ongoing challenges and ongoing organisational change throughout the year we delivered a full and successful programme of exhibitions and events, school services, community engagement, cared for our buildings and gardens and continued to record exceptionally high satisfaction rating from visitors.

d. Social investment policies

Our charitable objectives and strategic priorities commit us to delivering social benefit to the people of Brighton & Hove and beyond through everything we do.

e. Grant-making policies

The Trust does not under normal circumstances make grants to third parties. However, we do act as the managing organisation for the South East England Museum Development Service, funded directly by Arts Council England that is a grant-making organisation. We also provide some minor support for students and international museums through our grants from the James Henry Green Charitable Trust.

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Trustees' report (continued)
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Objectives and activities (continued)

f. Volunteers

The Trust is pleased to work extensively with volunteers. Volunteers contribute to the organisation working across a variety of roles including Community Engagement, Learning, Gardening, Collections Care, Research, Event Support and Conservation.

During 2022-23 we worked with 76 volunteers contributing 5,301 hours. We fully recognise the value volunteering brings to us as an organisation and the benefits it brings to those who volunteer.

We welcomed the return of volunteers who had been absent due to COVID and facilitated the recruitment of new volunteers, instituting improved practices following our move to trust. We introduced a new policy, registration, induction and handbook for volunteers. Our Head Gardener was able to bring back his volunteering teams to the Pavilion Gardens and Preston Manor and recruited a new gardens apprentice.

We delivered an NLHF funded digital project Telling Tales & Talking Trails. This included a volunteer co-created audio guide at Preston Manor, and One Minute Wonders, a digital webapp supporting a temporary exhibition in Brighton Museum and Art Gallery. We signed up to the pan Sussex Good Space volunteer Project and submitted information for their community volunteering Hub. We restarted our volunteer Garden Greeters programme in the Pavilion Gardens for the first time since the pandemic.

g. Main activities undertaken to further the Company's purposes for the public benefit

RPMT manages:

The Royal Pavilion (RP) (Grade 1 listed)
The Royal Pavilion Garden (Grade 2 listed on Historic England's register of parks)
Brighton Museum & Art Gallery (BMAG) (Grade 2 listed)
Hove Museum & Art Gallery (HMAG)
Booth Museum of Natural History (Grade 2 listed)
Preston Manor (Grade 2* listed) and garden

The Trust also manages the William IV Gatehouse (Grade 1 listed), India Gate (Grade 1 listed), Northgate House (Grade 2 listed), all located on the RP estate, as well as 4/5 Pavilion Buildings, an off-site collections store, the Old Courthouse and Courtroom (Grade 2 listed) and the Jaipur Gate (Grade 2 listed) at Hove Museum of Creativity.

The Trust also operates in the virtual world through our website, and social media channels providing worldwide access to information about its rich and diverse collections, stories and resources.

We care for c. 1million objects as part of our wide-ranging collections. These are multi-period and multi-subject. They include three Designated collections (World Art, Natural History and Decorative Arts). We also hold important collections of archaeology, Egyptology, fine art, social history, toys, musical instruments, early cinematography, and crafts.

Our sites are open to the public (subject to opening hours) and our collections available for research and study. We operate a programme of public events and educational sessions (both formal and informal). We seek to research our collections and seek to make new knowledge available. We will loan objects to other museums. We will work with a series of partners and stakeholders to bring value to as many people as possible in Brighton & Hove and beyond.

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Trustees' report (continued)
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Objectives and activities (continued)

h. Cultural Exemption

The Trust applies admission charges to three of its five venues. The Trust treats the sale of tickets for the admission to museum, gallery or exhibitions as exempt from VAT as it qualifies for cultural exemption.

Its eligibility is based on the fact the Trust:

- Is a non-profit making organisation
- Applies any profits made from admission fees under this provision to the continuance or improvement of the facilities or in connection with the making of related cultural supplies
- Is managed and administered on a voluntary basis by Trustees who have no direct or indirect financial interests in the activities of the organisation.

i. Education

The Trust supplies education in the form of Tours, Learning and Schools programmes. The Trust does not distribute any profit it makes from educational activity. All profits made from supplies of education are used for the continuance or improvement of such supplies.

Achievements and performance

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Trustees' report (continued)
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Achievements and performance (continued)

a. Main achievements of the Company

Despite the obvious obstacles (see above) the following key achievements have been made in this period:

- Delivery of our service level agreement with Brighton & Hove City Council and an ongoing positive and supportive partnership with the council.
- Delivery of our National Portfolio Organisation (NPO) funding agreement with Arts Council England including our agreement to manage the museum development service for SE England.
- During the year we successfully applied for a further three years of NPO funding starting on 1 April 2023.
- Playing a full roll in the Brighton & Hove mourning and memorial activity on the death of Queen Elizabeth II and the proclamation of King Charles III.
- Delivered an exhibition programme at our venues that have received popular and critical support (see below).
- Delivered a full schools programme primarily serving Brighton & Hove primary and junior pupils.
- Maintained strong community links including a number of relationships with key groups representing communities with protected characteristics.
- The launch of our important "culture change" programme generously funded by the James Henry Green Trust to ensure the service is socially engaged, diverse and equitable in all its activities.
- We continued to negotiate with ACE and BHCC over the delivery of the ACE Museum Estates and Development Fund (MEND) grant for the repair of Brighton Museum and Art Gallery roof. This work is planned to take place in summer 2024.
- Development of our detailed plans for the renovation and revitalisation of the Royal Pavilion Garden funded by the National Lottery Heritage Fund (NLHF). The bid for full works will be submitted in Summer 2023.
- Further project funding from NLHF and the Esmée Fairburn Foundation for projects at Booth and Brighton Museum.
- Publication of the SCALA Publishing 'Directors Choice' book on 37 significant objects from the RPMT collections.
- Ongoing work on our planned Yale University Press book on the Royal Pavilion.
- A collaboration with Brighton & Hove Albion Football Club Women's Football Team to deliver community value linked to the major summer 2022 exhibition Goal Power on the history of women's football at Brighton Museum linked to Brighton being a host city for the Women's Euros. This also included an award from the NLHF for associated community engagement.
- A major collaboration with Sussex University to contribute to a new BA degree in Liberal Arts to be hosted by Hove Museum. And ongoing partnerships with Sussex and Brighton Universities.
- An ongoing major programme of review and strategic planning in all aspects of the business to move from a relatively traditional local authority service to an independent trust and charitable business model has been undertaken.
- Putting in place a full fundraising team to support financial growth.

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Trustees' report (continued)
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Achievements and performance (continued)

- A review of ticketing and a move to cloud-based ticketing.
- The long-term loan of a major artwork – “Colliers Unloading on Hove Beach” by John Constable.
- The Trust’s buildings used for the major Brighton Festival theatre piece “Unchained”.
- Development of a new website and brand architecture launched in the summer of 2022.
- Major repairs to the East elevation of the Royal Pavilion.
- Opening two new cafés one at Hove Museum of Creativity and one at the Royal Pavilion.
- A successful bid to Fidelity International to support commercial operations for the next three years.
- Ongoing delivery of the Museum Development Service for South East England on behalf of ACE.

b. Key performance indicators

For the period under review our key performance indicators were as follows:

| | Key Performance Indicators | 22-23 Target | 22-23 Achieved |
|-----|---|---------------------|-----------------------|
| No. | Visitors to the Royal Pavilion and Museums | 295,788 | 302,774 |
| % | Satisfaction levels of visitors to Royal Pavilion and Museums | 95% | 88% |
| No. | Children & Young People participating in formal learning activity on site | 13,000 | 17,433 |
| No. | Website sessions for the Royal Pavilion and Museums | 780,000 | 747,074 |
| £ | Earned income | £7.3m | £7.5m |
| No. | Residents visiting Royal Pavilion and Museums | 41,410 | 64,510 |

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Trustees' report (continued)
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Achievements and performance (continued)

c. Review of activities

Over the period the curatorial team have continued to deliver on core collections work. In the main this includes administering loans, acquisitions and disposals, improving documentation and information, including digital content about the collection, answering enquiries, hosting researchers, supporting public programmes, and supporting guided tours for members and patrons.

Projects and new work

The curatorial team have contributed to various organisational wide projects and initiatives, including:

- Supporting an organisational wide space review to free up space for commercial and other use.
- Developing content and reviewing practice as part of Culture Change programme looking at decolonising the museum including blogs, talks and events.
- Supporting and supervising contractors during the improvements made to the offsite store roof between.
- Supporting the conservation team with collections restorage and display area environmental and pest checks and day to day cleaning.
- At the Booth Museum, ongoing projects such as Discovering Dioramas, and improvements to specimen documentation (focusing currently on Butterflies), and collaborating with the Conservation team colleagues to effectively care for these specimens.
- Contribution by Curator of Fashion & Textiles to the research and development for an exhibition at Brighton Museum focused on Lee Miller, coming up in Autumn 2023.

Loans

As of March 2023, there were a large number of active local, national, and international loans, mostly for exhibitions, some for research. A selection of recent activity includes:

Loans Out

- 5 paintings to Glyn Philpot: Flesh and Spirit at Pallant House Gallery between 14 May to 23 October 2022.
- The painting 'Veronica's Veil' to Museo Nacional Thyssen, Bornemisza for the exhibition: Hyperreal: The Art of Trompe l'Oeil - 16 March to 22 May 2022.
- The painting; L'apres-Midi by David Paynter, for exhibition: The First Homosexuals at Alphawood Exhibitions LLC / Wrightwood 659 – 1 October 2022 to 1 February 2023.
- A Regency armchair by George Smith lent to the Sainsburys Centre for the exhibition: Visions of Ancient Egypt- 3rd September 2022 to 1st January 2023.
- Mae West Lips sofa to the Design Museum for the exhibition: Objects of Desire: Surrealism and Design 14 October 2022 - 23 February 2023.
- We have loaned our painting of Kylin, Faithful and Fearless by Arthur John Elsley to the exhibition: Portraits of Dogs: From Gainsborough to Hockney at The Wallace Collection, 29 March to 15 October 2023. Kylin was the favourite pet of Ellen Thomas-Stanford of Preston Manor, Brighton.

We also continued touring the painting; Alice in Wonderland by George Leslie Dunlop in conjunction with the V&A to venues in China and Japan, from the dates Feb 2022 to 5 March 2023, and the Amber Cup went on loan to the British Museum for the exhibition; The World of Stone Henge until July 2022.

Loans in

- 168 items, from various lenders for Goal Power exhibition.
- Painting by John Constable, on display in The Royal Pavilion.
- 33 items originally collected from Myanmar and West Africa, lent by a potential donor for review and consideration.

Plus further loans of multiple objects to various exhibitions detailed below.

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Achievements and performance (continued)

Exhibitions & Displays

The team regularly contribute, support or lead on the development and production of various exhibitions and redisplay projects, many of which utilise the collections (see list below).

Research

The team throughout the year supports many researchers, and each curator undertakes research into the collections to facilitate future projects; a few examples include:

- Royal Pavilion Garden research by Curator, Kate Richardson, and a small team of volunteers, to support a funding bid to NHLF.
- Royal Pavilion interior research by Curator of the Royal Pavilion, Alexandra Loske for a Yale University Press publication.
- Martin Pel, the Curator of Fashion & Textiles continued to research previous curator and significant collector /donor Martin Battersby, as part of an externally funded research project.
- Local History & Archaeology Curator, Dan Roberston, hosted a PhD student investigating human remains found at early neolithic causewayed enclosures in Sussex.

Acquisitions & Disposals

A key curatorial team project is the 'Dynamic Collections Review' and this has in the past year, mostly focused improvements and decluttering in storage, in line with other organisational projects, and the team have mainly focused on facilitating disposals.

A selection of Disposals and Transfers undertaken in this year have included:

- Painting by Alexander Stanhope Forbes 'Christmas Eve' on long term loan with view to transfer to Penlee House Museum & Art Gallery.
- 6 x Cast iron heads from the Madeira Terrace returned to Brighton & Hove City Council.
- Photographic prints relating to Petworth, Storrington, Billingshurst to West Sussex Record Office.
- Egyptian Mummy and tatters to British Museum.
- 697 items of periodicals, publications and ephemera related to Natural Sciences.

While we are refocusing on storage relocations and how we can more effectively and dynamically utilise our collections, our processing of acquisitions has slowed, but within the last year a few examples of the objects we took in include:

- Metal and paint street sign from Twineham Road in Whitehawk, Brighton, c1933.
- A selection of Burmese textiles c. 1970s.
- A silver gilt medal from the Royal Horticultural Society awarded to the County Borough of Brighton Parks and Gardens Department for an exhibit of Caladiums dated 27 June 1961.
- Multi-coloured print of the graffiti style artwork of Aubrey Beardsley by The Postman, 2022.
- Scrapbook believed to have been compiled by Anna Maria Moon, Dr William Moon's second wife.
- Several prints by prominent painters and printmakers e.g. Paula Rego and Gillian Ayers, transferred from ESCC Library and Information Service.

Conservation

The collections care team have continued their core tasks, including collections care projects and housekeeping tasks (identifying and prioritising the most vulnerable collections) and supporting colleagues in other departments such as functions, income generation and marketing. The team have also facilitated loans and transfers by couriering items, for example, two oak panels to Dorset Museum, the transfer of an oak beam to the Marplins Museum and overseeing the transportation of the Serge Roche Table previously on long-term loan to Brighton Museum & Art Gallery.

Other projects include a Spirit Collection Review at the Booth Museum and several ongoing projects such as preparing our Music Room curtains for return after extensive repairs and warm air treatment at Thermolignum,

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Achievements and performance (continued)

and the final stages of the restoration of two Pagodas. This project involved how early-stage conservators and interns working in partnership on the research and the development of a methodology that considered reversibility at its core. Last year we hosted two interns, one from Durham University and one from West Dean College.

The conservators have continued to facilitate local, national, and international loans.

- Eight long-term loans to the Town Hall, including devising hanging arrangements and installing the works.
- Preparation for a further twelve to be transferred later this year.
- Work on three national loans, one international loan, and the same number of returning loans.

The team has also returned two Robert Jones Murals to public display in the Royal Pavilion after they had been in store for forty years. In addition to these projects, the team has also undertaken holding repairs to the ceiling in the Music Room Gallery and Banqueting Room Gallery in preparation for the exhibition 'A Right Royal Spectacle' in the Royal Pavilion and commenced remedial work on the other Robert Jones murals in the Banqueting Room.

The Technicians and one of the assistant conservators have built, installed, lit and deinstalled five exhibitions at three of the Trust's sites this year. The technicians have also continued to support the work programme of the Historic Buildings Manager, including seven visits by Drainline to investigate ongoing drainage issues in Brighton Museum.

Amongst the other projects the team has been leading is installing a new roof at the offsite collections store and installing LED lighting throughout. Hand-in-hand with this project, the team has re-organised the ground floor of the offsite store – which has increased on-site safety, made the collection more accessible, created additional storage space, reduced energy costs and made the store more secure.

Gardens & Buildings

Over the last 12 months the primary aim of the gardening team has been to keep the three gardens well-maintained. The Garden Apprentice continues to be a success and we are keen to build on this by continuing our engagement with this scheme and looking to expand on it. We also work closely with a dedicated team of garden volunteers. Much work during the year focused on preparing a major bid to NLHF for the Royal Pavilion Garden. This bid will be submitted in August 2023 and if successful work on the project will commence in early 2024.

During the period we continued our programme of capital repairs and renewals supported by Brighton & Hove City Council. Renovation works were undertaken to the east elevation of the Royal Pavilion. Repairs were also undertaken to the King William IV Gate. A growing concern is water ingress to buildings during periods of intense rain, this is particularly the case with Brighton Museum and Art Gallery where drains run through the building in Victorian soak-aways below it. The increasing incidents of severe weather – both rain and heat are having a detrimental effect on our buildings and gardens.

The Facilities team has continued managing our annual maintenance programmes e.g., PAT testing, servicing of systems, as well as overseeing our Health & Safety work. Additional priorities for the team have been reviewing our fire and security procedures including undertaking independent Fire Risk Assessments for all our main buildings.

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Achievements and performance (continued)

Audiences & Engagement

Our Museums

| Venue | Visits | Satisfaction |
|---------------------------------|---------|--------------|
| The Royal Pavilion | 188,038 | 96% |
| Brighton Museum & Art Gallery | 71,148 | 95% |
| Hove Museum & Art Gallery | 13,664 | n/a |
| Booth Museum of Natural History | 23,21 | 81% |
| Preston Manor | 6,711 | n/a |

Exhibitions and displays

A summary of our exhibitions and displays for this period:

Brighton Museum

- Queer the Pier until Feb 2024.
- Aubrey Beardsley: A Brighton Boy 30 July – 22 Jan 2023 Exploring the life and work of Brighton born Aubrey Beardsley, marking the 150th anniversary of his birth.
- Museum Mentors: Response to Spencer Gore Oct 2021 – Oct 2022.
- Museum Mentors: Ink on Silk Oct 2022 – Oct 2023.
- Costumes from the film My Policeman 15 -27 Nov 2022.

Hove Museum of Creativity

- Misshapes: The Making of Tatty Devine 10 March – 4 Sept 2022 The story of pioneering jewellers Tatty Devine who challenged conventions and working creatively with laser cut acrylic built an international brand. A Crafts Council exhibition.
- A Place Called Home 23 Sept 2022 – TBC 2023
- Matt Smith: Who Owns History? 14 Oct 2022 - 16 April 2023

Royal Pavilion

- The Regency Wardrobe 19 March – 11 Sept 2022 life-size costumes inspired by Regency history told stories of seafront walking, grand balls, and musical evenings. Each unique piece is created by artist Stephanie Smart, using only paper and thread.
- Constable's Colliers Unloading on Hove Beach from 15 July 2022
- Christmas at the Royal Pavilion 19 Nov 2022 – 3 Jan 2023.
- A Right Royal Spectacle 11 March 2023 – Aug 2023.

Booth Museum

- Our special visiting mice for Christmas 3 Dec 2022 - 4 Jan 2023.
- Sussex Wildlife Trust photographs 3 Dec - Sept 2023.

Events and Education

Event programming across all sites increased during 2022-23 with over 2,500 participants engaging with activity including pop-up curator talks, art workshops, online talks, and community led events. We participated in Heritage Open Days and the Aging Well Festival. We welcomed the return of the LGBTQ+ History Club to Brighton Museum and we rebooted community curator led talks and tours in the Queer the Pier exhibition and a monthly LGBTQ History Club. We hosted Elders creative sessions for older members of our community. We hosted a large outdoor Your Gardens community event as part of our NLHF Royal Pavilion Garden consultation programme. We began a 'Writing Around the Kids' partnership project with New Writing South, a creative writing group for young mothers.

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Achievements and performance (continued)

As part of the Goal Power: Women's Football project we developed an engagement project with local female footballers aged 10-16. Led by a programming curator, arts activist, podcast producer and engagement facilitator, the participants developed skills in research, photography, interviewing and graffiti activism. Final outcomes included the podcast 'Womansplaining', interviews for exhibition content and an activist programme during the Women's Euro tournament. Highlights included a Wikithon training day increasing the representation of the history of women's football on Wikipedia; workshops with Brighton graffiti artist, I am Sprite, active participation in the UEFA Fan Party for the Women's Euros in Brighton, and the launch of Secrets & Stories which offers regular curator and community led pop-up talks and object-handling opportunities.

We have completed a reset of our Key Stage 1 and 2 schools programme after the pandemic and after a full review are running a set of flagship sessions that meet audience need. In 2022-23 we launched the new "A Very Special Visit" session at the Royal Pavilion. We have also been working with our Teacher Ambassadors to shape new sessions and ensure sessions are SEND friendly.

We piloted a Royal Pavilion Garden project with local city centre schools with no green spaces (in areas of high deprivation and very high take up of free school dinners) as part of our development stage within our NHLF bid. They were given a brief to design and make bug hotels for the garden to increase wildlife. This lays the foundations for the garden to become their green space to tend to, observe, and play in. This is part of our development of work with micro communities close to our sites.

We welcomed 150 Key Stage 3+ students from Patcham High who came to help with our decolonising work. They were set the brief to explore Brighton Museum and the Royal Pavilion Indian Hospital audio guide and tell us what was missing. What stories aren't being told? What objects don't have enough information about their history? What names and faces are missing? We are building the students' impactful responses into our future programming and approach to our Culture Change project.

In October 2022 we launched the Discovering Our Dioramas project at the Booth Museum of Natural History. This project will result in us finding out more about the current key families and under 10s audience, new interpretation and activities to link their current lives to the historic collections through the seasons, reshaping our public programming offer and culminating in the building of a new diorama – the first in 90 years.

We have expanded our working relationship with the University of Sussex and signed an MoU to work in partnership in support of their Liberal Arts BA and our sites are used as part of the course. We support a bursary for an MA in Museum and Heritage at the University of Brighton and staff teach on the course.

Communities, Partnerships and Engagement

Our Culture Change three-year project (funded by the James Henry Green Trust) began in October 2022 with the appointment of two job share Heads of Culture Change and a curatorial role. They have built the project framework, looking at how to decolonise our work. We have rebooted our work with the Cultural Heritage Network (BIPOC) hosting its post-pandemic in person relaunch with a talk in February 2023 by SI Martin on the untold histories of some Black people in Brighton. We have formed an internal Anti-racism Working Group and drafted our first anti-racism statement. We formed an internal Decolonising Working Group and agreed a decolonising statement. We have added a Culture Change section to our website, which showcases the statements above and explains our ambitions about our Culture Change (decolonising) work and hosting a series of blogs on decolonising across a range of museum specialisms, including natural history. We set up an Internal Accessibility Working Group and held an external Access Advisory Group meeting in March 2023. We continually provide advice for colleagues around decolonising for projects and exhibitions as appropriate. Planning is underway for a significant public engagement project to launch in the summer of 2024.

The Museum Collective (young people aged 14-25) have met regularly at our museums and have focussed on reviewing the group and making plans and suggestions for its future development. For this year's LGBT history month, we welcomed young people from Allsorts Youth project (age 16-25) for a bespoke tour of our community co curated exhibition Queer the Pier, and the LGBTQIA+ display in the local history gallery.

Royal Pavilion and Museums Trust
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Trustees' report (continued)
For the year ended 31 March 2023

Achievements and performance (continued)

The Goal Power! exhibition on this history of women's football was accompanied by a programme of activities targeting local young female football players (age 14-18).

The Museum Mentors – a group for adults in need of support participated in creating a new display, Ink on Silk, inspired by the works and life of Aubrey Beardsley and enjoyed and expressed a sense of freedom post COVID restrictions. Members are supported to focus on art, sharing creative ideas and creative peer development.

Digital

Following our rebranding exercise in August 2022 the new Brighton & Hove Museums website was launched, its design has been informed by focus group work and now reflects the services we offer rather than the assets we have, so it enables us to give more prominence to our income generating activities. During the year April 2022 - March 2023 we recorded 747,074 website sessions. Social Media engagement dropped by approximately a third to 104,083 but we are now engaging on multiple channels including TikTok.

The digital team have also been delivering a £30k project funded as part of the NLHF's Digital Skills for Heritage initiative. The project involves working with volunteers to produce more inclusive digital storytelling in onsite interpretation. The project has included intensive training for volunteers who have produced a new Preston Manor audio guide offer <http://prestonmanor.uk/> and 'One Minute Wonders', a label-free display which opened in Brighton Museum in January 23 entirely made up of volunteers' stories presented through an experimental app and corresponding online content.

Marketing & Media

A major Marketing Campaign ran across the summer in print and advertising, this included station advertising 80km radius of Brighton. The organisation has continued to enjoy high profile press and media coverage and the hire of our premises for television and filming offering free marketing air-time. We had particularly positive press-coverage linked to Goal Power and the opening of the Roger Bamber exhibition. The Royal Pavilion featured in a Brighton-focused episode of the BBC series "The Apprentice" and was used for the grand final of "The Great British Menu" on BBC and appeared in the movie "My Policeman".

The team worked with local Design Agency, Baxter & Bailey, on a new brand identity for Brighton & Hove Museums to reflect both its eclectic cultural destinations and the organisation's new identity as an independent charity. The new brand identity features an ampersand logo at the heart of it and with six component parts representing the five venues and digital presence of the Trust. To support the new brand guidelines the team also commissioned Brighton based street photographer JJ Waller to capture the spirit of the destinations and our visitors.

Business Services

The Finance team have produced effective management accounts throughout the year that are reviewed monthly by our executive board and quarterly by our Finance and general Purposes Committee and main board.

During the year we moved our pay-roll services from BHCC to in-house using an external provider. This has provided problematic but by the end of the period was much improved.

All IT contracts originally entered into on 1 April 2020, the original date for move to Trust were due for renewal by March 2023. These contracts that include, server hosting, printers and copiers, telephony, software licencing, support contracts, Wi-Fi, Broadband were renegotiated or retendered to achieve contract savings.

Our People

Staff

Our greatest asset is our staff. During 2022-23 RPMT employed c. 134 FTE staff. The staff teams include visitor service staff, curators, conservators, technicians, historic building management, security, learning and

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Trustees' report (continued)
For the year ended 31 March 2023

Achievements and performance (continued)

community engagement, creative programming, marketing, retail, events and function management, development and fundraising, digital and ICT, finance and HR. As we emerged from the COVID pandemic we needed to undertake organisational changes and some cuts. Our restructure was completed in the autumn of 2022 providing a more simplified, streamlined organisation. As we needed to address financial constraints in early 2023, we were required to make some further staff savings. We are very grateful to staff for their stoicism and adaptability during this difficult period.

Key Staff Changes

During the year we welcomed Charlie McKenzie as Head of Income Generation, Judith Owen-Phillips as Trusts and Foundations Manager, Stephen Roberts-Pratt as Individual Giving Manager and Simone Lacorbiniere and Liz Porter as Heads of Culture Change,

Key leavers included Russell Phillips, IT Manager, Julia Basnett, Operations Manager and Alex Hawkey 3D Designer.

d. Factors relevant to achieve objectives

All plans originally made for 2022-23 continued to be disrupted as a result of lower-than-normal visitor numbers and visitor spend following the COVID pandemic which impacted visitor income during the first quarter of the year. We also continued to be affected by changes brought about by the UK leaving the EU and the impact this has had on international student travel which previously formed a large proportion of the Royal Pavilion's visitor base.

2022-23 was only the Trust's second full operational year with the challenges facing any new business such as new systems, new governance structures, change management and restructures as well as those resulting from transfer from a local authority to an independent charity.

Severe weather episodes, particularly heavy rain caused problems in maintaining our historic buildings and gardens, requiring the reprioritisation of planned maintenance and a number of reactive repairs.

The Trust also felt the impact of the War in Ukraine and the resulting scarcity of raw materials, rise in energy prices and more general increase in inflation. This led to higher costs being incurred and lower than anticipated spend per visitor later in the year. Budgets therefore had to be reprofiled and a series of cost savings and new revenue generating initiatives were implemented in the latter part of 2022-23.

e. Fundraising activities and income generation

As noted elsewhere the year saw BHCC agreeing our annual plan and the confirmation of new funding from ACE. With a new fundraising team in place we began to see returns from trusts and foundations as well as additional patrons and members. Most notable was a major grant from Fidelity International to support our commercial team for the next three years. During the year we introduced new training for our front-of-house staff to improve gift aid support and more general retail spend. All these initiatives were beginning to pay dividends by the end of the period.

Financial review

Royal Pavilion and Museums Trust
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Trustees' report (continued)
For the year ended 31 March 2023

a. Going concern

Following a challenging year (see 'Factors relevant to achieve objectives' above) net liabilities at 31 March 2023 were £288,682.

Business plans have been drawn up for the period April 2023 to March 2026 to move the Trust back to a healthy net asset position. A number of these plans such as further restructures, changes to opening hours, new pricing and ticketing structures, securing of new income from Trusts and grants have been successfully implemented in the first two quarters of 2023-24. In addition, the trust has benefitted from much higher-than- forecast visitor numbers during the first 2 quarters of 2023-24 resulting in an overachievement against budget and a higher-than-expected net asset position at the end of quarter 2.

As part of the agreement to form the Royal Pavilion and Museums Trust on 1 October 2020 a facility was put in place and agreed whereby RPMT could between 2020 and 2025 draw on up to £4m of loan from Brighton and Hove City Council (BHCC). £2,000,000 of this loan remains available if required. See note 17.

As a result, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

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.

b. Reserves policy

The aim of Trustees in the long term to build unrestricted reserves to a level of 25% of planned expenditure over the following 12 months, however due to the ongoing impact of the pandemic this has not been achievable for 2022-23. For 2023-24 cost savings made in 2022-23 and the arrival of new income generating posts and strategies are aimed at delivering a much improved financial picture.

The level of free reserves as at 31 March 2023 were £nil (2022: £329,745).

c. Deficit

The net movement in funds for the year was a deficit of £1,302,192 (2022: 1,362,942 surplus).

Net assets at the year ended 31 March 2023 were -£288,682 (2022: £1,013,510).

At the year-end, unrestricted funds totalled a deficit of 929,229 (2022: £329,745 surplus), of this £299,767 was designated (2022: £380,749) and there were deficit undesignated funds of £1,228,996 (2022: £51,004 deficit). Restricted funds totalled £471,172 (2022: £514,390) and the permanent endowment fund totalled £169,375 (2022: £169,375).

d. Principal risks and uncertainties

The Trust maintains a strategic Risk Register which is reviewed by the Executive Board monthly and Finance and General Purposes Committee quarterly. In the opinion of the Executive Board There were no identifiable risks that need to be reported.

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Trustees' report (continued)
For the year ended 31 March 2023

e. Financial risk management objectives and policies

The Executive Board has taken steps to ensure that financial risk is minimised by introducing robust internal controls and sound financial systems which are regularly reviewed.

RPMT is supported by a £4million loan facility from Brighton & Hove City council as part of its transfer agreement. The facility is available until 2025 and then repayable over a five-year period. To date it has drawn on £2million of this facility as set out in disclosure note 17.

f. Principal funding

We are incredibly grateful to our principal regular funding from Brighton & Hove City Council and as a National Portfolio Organisation of Arts Council England. We would not be able to deliver on our charitable aims without their support.

Other main funding comes from ticket sales, commercial operations, and fundraising.

In 2022-23 we are also extremely grateful for additional project and programme funding from The James Henry Green Charitable Trust, the National Lottery Heritage Fund, The Esmée Fairburn Foundation, The Headley Trust, The Fidelity International, and the support of our Patrons.

Structure, governance and management

a. Constitution

Royal Pavilion and Museums Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. The charity is managed by a Board of Trustees. Trustees are appointed for a term of three years with terms renewable leading to a maximum period of nine years. The exception are three BHCC nominated trustees who are re-appointed annually by BHCC.

New trustees are recruited when considered necessary, either to replace a trustee who has retired or stood down, or to bring in additional skills and experience where a need has been identified. Recruitment of Trustees is the responsibility of the Nominations and Remuneration Committee a permanent sub-committee of the Board. Skills audits of the Board are undertaken on a regular basis to inform future recruitment. Recruitment is through an open competitive process. Potential trustees meet with the Chair of the Board of Trustees, prior to being appointed by resolution at a meeting of the trustees.

The Trustees are committed to diversification of the Board and in March 2021 appointed two young shadow trustees from diverse backgrounds to be mentored by Board members and give fresh insights to the work of the Trust.

Royal Pavilion and Museums Trust
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Trustees' report (continued)
For the year ended 31 March 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trustee Board meets quarterly, usually in January, April, July, October. The Finance and General purposes Committee and Nominations and Remunerations Committee also meet quarterly and report to the main board.

The Finance & General Purposes Committee has delegated responsibility on behalf of the Board of Trustees for ensuring that there is a framework for reviewing financial strategy, accountability, and financial controls for The Royal Pavilion & Museums Trust. The F&GPC consists of no fewer than three Trustees appointed by the Board of Trustees and includes the CEO, other colleagues with appropriate financial skills and expertise and Mike Woodward an external consultant who advised us on the move from Council to Trust.

The Nominations and Remuneration Committee (NRC) has been established as a permanent sub-committee of the Board of Trustees and its remit, on behalf of the Board, is to be responsible for:

- Recruiting the Chair and Deputy of the Board
- Recruiting trustees for the Board and sub committees of the Board
- Recruiting the CEO
- Salary and, if this is something the Trust decides to do, bonus setting for the CEO and senior executive team.
- Reviewing the performance of the Chair and Deputy Chair

During the year a new sub-committee, The ACE Oversight Board was created to monitor delivery of the Arts Council England strategic priorities and report to the main board. It is chaired by a trustee with three other trustee members, one senior member of staff and one external specialist.

The trustees have delegated day-to-day decision making with key operational matters to the CEO and the Executive Board.

d. Policies adopted for the induction and training of Trustees

Trustees of the charity have been selected to ensure the appropriate mix of skills, knowledge and experience exists to make sure the charity is well governed and is run effectively and efficiently. Trustees are briefed on their legal obligations under charity and company law, the Charity Commission on public benefit, content of the Memorandum and Articles of Association, the committee and decision-making process, their responsibility to declare interests, the business plan and financial performance. Trustees are made aware of the indemnity provision and insurance in place for them as directors. Training for trustees is organised on a needs basis.

e. Pay policy for key management personnel

Senior staff are covered by annual pay negotiations. CEO salary is set by Trustees.

f. Related party relationships

RPMT Enterprises Ltd is a private company limited by share capital. The Company was incorporated on 10 February 2020 under the Company Number 12451429.

The Royal Pavilion & Museums Foundation, the fundraising charity associated with the BHM is governed by a trust deed established in 1972 as amended by the Charity Commissioner's schemes on 22 July 1991, 26 November 1998 and 31 December 2010. The charity formally changed its name from Friends of the Royal Pavilion, Art Gallery and Museums, Brighton to The Royal Pavilion and Museums Foundation. This change was approved by the Charity Commission in July 2010. The Royal Pavilion & Museums Foundation was incorporated into the new Royal Pavilion & Museums Trust on 1 October 2020.

Royal Pavilion and Museums Trust
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Trustees' report (continued)
For the year ended 31 March 2023

Plans for future periods

We are working in 2023-24 to further establish our own long-term sustainability while making a major contribution to Brighton & Hove City Council's strategic objectives and delivering to Arts Council England's new ten-year strategy "Lets Create". After three difficult and challenging years we are confident that the changes put in place at the end of 2022-23 (cost savings, new revenue generating initiatives, new ticketing, change in opening hours) will contribute to a business plan that will see us achieve financial stability and be able to plan more confidently for the future. It is recognised that there is still much uncertainty and unpredictability across society and the economy so it is recognised there is no room for complacency and careful and close management of all resources will be essential.

Within this context it is a huge relief to have secured ACE funding for the next three years and already be seeing positive results from our other changes while knowing that we still have the ability to draw down further loan amounts from BHCC if needed.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company 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 charitable group'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 charitable group's auditors are aware of that information.

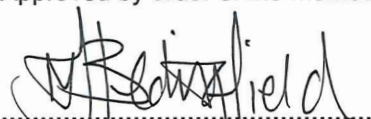
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Trustees' report (continued)
For the year ended 31 March 2023

Auditors

The auditors, Kreston Reeves 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 and signed on their behalf by:



Michael Bedingfield
(Chair of Trustees)
Date: 7 December 2023



Angela Smith
Trustee

Royal Pavilion and Museums Trust

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Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust (continued)

Opinion

We have audited the financial statements of Royal Pavilion and Museums Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual 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. Our responsibility is to read the other information and, in doing so, consider

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Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust (continued)

whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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:

**Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust
(continued)**

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. 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 SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 related to posting inappropriate journal entries to increase income or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the allocation of funds. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the

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Independent Auditor's Report to the Members of Royal Pavilion and Museums Trust (continued)

- effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor

Chichester

Date: 13 December 2023

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Royal Pavilion and Museums Trust
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Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2023

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 3 | 2,724,738 | 811,765 | - | 3,536,503 | 3,971,769 |
| Charitable activities | 4 | 2,938,635 | - | - | 2,938,635 | 1,848,893 |
| Other trading activities | 5 | 944,282 | - | - | 944,282 | 823,104 |
| Other income | 6 | 59,421 | - | - | 59,421 | 24,711 |
| Total income and endowments | | 6,667,076 | 811,765 | - | 7,478,841 | 6,668,477 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 522,138 | - | - | 522,138 | 325,555 |
| Charitable activities | 8 | 7,403,912 | 854,983 | - | 8,258,895 | 7,705,864 |
| Total expenditure | | 7,926,050 | 854,983 | - | 8,781,033 | 8,031,419 |
| Net movement in funds | | (1,258,974) | (43,218) | - | (1,302,192) | (1,362,942) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 329,745 | 514,390 | 169,375 | 1,013,510 | 2,376,452 |
| Net movement in funds | | (1,258,974) | (43,218) | - | (1,302,192) | (1,362,942) |
| Total funds carried forward | | (929,229) | 471,172 | 169,375 | (288,682) | 1,013,510 |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 32 to 53 form part of these financial statements.

Royal Pavilion and Museums Trust
(A company limited by guarantee)
Registered number: 11774969

Consolidated balance sheet
As at 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| | | - | - |
| Current assets | | | |
| Stocks | 14 | 224,400 | 265,788 |
| Debtors | 15 | 807,330 | 490,513 |
| Cash at bank and in hand | | 1,566,665 | 3,298,200 |
| | | <u>2,598,395</u> | <u>4,054,501</u> |
| Creditors: amounts falling due within one year | 16 | (887,077) | (1,040,991) |
| Net current assets | | <u>1,711,318</u> | <u>3,013,510</u> |
| Total assets less current liabilities | | <u>1,711,318</u> | <u>3,013,510</u> |
| Creditors: amounts falling due after more than one year | 17 | (2,000,000) | (2,000,000) |
| Net liabilities / assets | | <u>(288,682)</u> | <u>1,013,510</u> |
| Total net assets | | <u>(288,682)</u> | <u>1,013,510</u> |
| Charity funds | | | |
| Endowment funds | 18 | 169,375 | 169,375 |
| Restricted funds | 18 | 471,172 | 514,390 |
| Unrestricted funds | 18 | (929,229) | 329,745 |
| Total funds | | <u>(288,682)</u> | <u>1,013,510</u> |

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

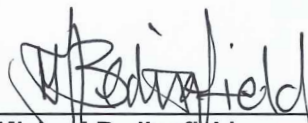
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

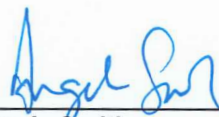
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Royal Pavilion and Museums Trust
(A company limited by guarantee)
Registered number: 11774969

Consolidated balance sheet (continued)
As at 31 March 2023



Michael Bedingfield
(Chair of Trustees)
Date: 7 December 2023



Angela Smith
(Trustee)

The notes on pages 32 to 53 form part of these financial statements.

Royal Pavilion and Museums Trust
(A company limited by guarantee)
Registered number: 11774969

Company balance sheet
As at 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-------------------------|-----------------------|
| Fixed assets | | | |
| Investments | 13 | 1 | 1 |
| | | <u>1</u> | <u>1</u> |
| Current assets | | | |
| Stocks | 14 | 121,089 | 216,913 |
| Debtors | 15 | 780,241 | 727,791 |
| Cash at bank and in hand | | 1,256,633 | 2,469,416 |
| | | <u>2,157,963</u> | <u>3,414,120</u> |
| Creditors: amounts falling due within one year | 16 | (885,510) | (966,088) |
| Net current assets | | <u>1,272,453</u> | <u>2,448,032</u> |
| Total assets less current liabilities | | <u>1,272,454</u> | <u>2,448,033</u> |
| Creditors: amounts falling due after more than one year | 17 | (2,000,000) | (2,000,000) |
| Net liabilities / assets | | <u>(727,546)</u> | <u>448,033</u> |
| Total net assets | | <u><u>(727,546)</u></u> | <u><u>448,033</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 460,815 | 514,390 |
| Unrestricted funds | 18 | (1,188,361) | (66,357) |
| Total funds | | <u><u>(727,546)</u></u> | <u><u>448,033</u></u> |

The Company's net movement in funds for the year was £(1,157,375) (2022 - £(1,777,053)).

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

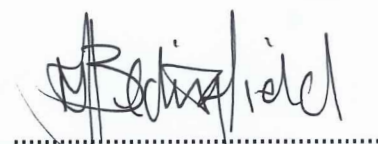
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

Royal Pavilion and Museums Trust
(A company limited by guarantee)
Registered number: 11774969

Company balance sheet (continued)
As at 31 March 2023

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Michael Bedingfield
(Chair of Trustees)
Date: 7 December 2023



Angela Smith
(Trustee)

The notes on pages 32 to 53 form part of these financial statements.

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|------|--------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 20 | (1,731,535) | (955,746) |
| Cash flows from investing activities | | | |
| Net cash provided by investing activities | | - | - |
| Cash flows from financing activities | | | |
| Cash inflows from new borrowing | | - | 2,000,000 |
| Net cash provided by financing activities | | - | 2,000,000 |
| Change in cash and cash equivalents in the year | | (1,731,535) | 1,044,254 |
| Cash and cash equivalents at the beginning of the year | | 3,298,200 | 2,253,946 |
| Cash and cash equivalents at the end of the year | 21 | 1,566,665 | 3,298,200 |

The notes on pages 32 to 53 form part of these financial statements

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

1. General information

The charity is a private company limited by guarantee incorporated in England and Wales. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office and principal place of business of the charity is:

4-5 Pavilion Buildings
Brighton
BN1 1EE

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Royal Pavilion and Museums Trust 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The subsidiaries included in the consolidation are Royal Pavilion and Museums Foundation (RPMF), a subsidiary by virtue of the Charity being the Corporate Trustee of RPMF; and RPMT Enterprises Ltd a subsidiary by virtue of share capital owned.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held for 12 months from authorising these financial statements. Financial models have been produced to forecast the financial position of the Trust. After reviewing the financial models in place, there is no change required to the assumption that the Trust can operate as a going concern.

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company 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 Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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 Group 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 Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 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.

2.10 Liabilities and provisions

Liabilities 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 Company 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 Consolidated statement of financial activities as a finance cost.

2.11 Financial instruments

The Group 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.

2.12 Pensions

The group's employees are members of the local authority's defined benefit pension scheme. The scheme is a multi employer scheme of which Royal Pavilion and Museums Trust is a 'pass through' member. As such, the burden of any future funding deficit is borne by the local authority, and is not therefore the responsibility of the group. Therefore, as required by FRS102, the group accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.13 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 Group 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 Group 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.

2.14 Redundancy and termination benefits

It is the charity's policy to recognise termination benefits when they become committed, by legislation, by contractual obligation based on business practice, custom or a desire to act equitably, to make payments (or provide other benefits) to employees when it terminates their employment. Termination payments do not provide the charity with future economic benefits therefore it is their policy to recognise them as an expense in the Statement of Financial Activities immediately.

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

3. Income from donations and legacies

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|----------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Grants and donations | 2,724,738 | 811,765 | 3,536,503 | 3,694,338 |
| Government grants | - | - | - | 277,431 |
| | <u>2,724,738</u> | <u>811,765</u> | <u>3,536,503</u> | <u>3,971,769</u> |
| Total 2022 | <u>3,103,303</u> | <u>868,466</u> | <u>3,971,769</u> | |

4. Income from charitable activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|------------------------------------|-----------------------------|-----------------------------|
| Income from charitable activities - Maintenance & advancement | <u>2,938,635</u> | <u>2,938,635</u> | <u>1,848,893</u> |
| Total 2022 | <u>1,848,893</u> | <u>1,848,893</u> | |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

5. Income from other trading activities

Income from non charitable trading activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Sales in the trading subsidiary | 893,597 | 893,597 | 823,104 |
| Other income | 50,685 | 50,685 | - |
| | <u>944,282</u> | <u>944,282</u> | <u>823,104</u> |
| Total 2022 | <u>823,104</u> | <u>823,104</u> | |

6. Other incoming resources

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------|------------------------------------|-----------------------------|-----------------------------|
| CJRS grant | - | - | 7,790 |
| Other activities | 59,421 | 59,421 | 16,921 |
| | <u>59,421</u> | <u>59,421</u> | <u>24,711</u> |
| Total 2022 | <u>24,711</u> | <u>24,711</u> | |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

7. Expenditure on raising funds

Costs of raising voluntary income

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|------------------------------------|-----------------------------|-----------------------------|
| Fundraising costs | 15,599 | 15,599 | 29,026 |
| Costs of raising voluntary income - wages and salaries | 89,885 | 89,885 | 59,231 |
| Costs of raising voluntary income - NI | 9,254 | 9,254 | 5,443 |
| Costs of raising voluntary income - pension costs | 15,855 | 15,855 | 10,543 |
| | <u>130,593</u> | <u>130,593</u> | <u>104,243</u> |
| Total 2022 | <u>104,243</u> | <u>104,243</u> | |

Other trading expenses

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|-------------------------|------------------------------------|-----------------------------|-----------------------------|
| Cost of sales | 320,381 | 320,381 | 205,422 |
| Administration expenses | 71,164 | 71,164 | 15,890 |
| | <u>391,545</u> | <u>391,545</u> | <u>221,312</u> |
| Total 2022 | <u>221,312</u> | <u>221,312</u> | |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---------------------------|------------------------------------|----------------------------------|--------------------|--------------------|
| Maintenance & advancement | 7,403,912 | 854,983 | 8,258,895 | 7,705,864 |
| Total 2022 | 7,166,170 | 539,694 | 7,705,864 | |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £ | Support costs 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------------|---|-------------------------------|-----------------------------|-----------------------------|
| Maintenance & advancement | 7,784,689 | 474,206 | 8,258,895 | 7,705,864 |
| Total 2022 | 7,208,944 | 496,920 | 7,705,864 | |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Maintenance & advancement 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|---|---------------------------------------|---------------------------------------|
| Staff costs | 5,756,260 | 5,756,260 | 5,134,378 |
| Materials, collections and conservation | 242,824 | 242,824 | 277,040 |
| Computer costs | 240,909 | 240,909 | 211,207 |
| Payments to other bodies | 384,618 | 384,618 | 268,597 |
| Rent, rates and utilities | 632,197 | 632,197 | 639,249 |
| Establishment costs | 38,865 | 38,865 | 38,069 |
| Security costs | 243,703 | 243,703 | 329,101 |
| Cleaning | 72,145 | 72,145 | 73,959 |
| Repairs and maintenance | 12,390 | 12,390 | 29,658 |
| Advertising | 120,001 | 120,001 | 174,266 |
| Postage and stationery | 2,414 | 2,414 | 2,178 |
| Sundry expenses | 38,363 | 38,363 | 31,242 |
| | <u>7,784,689</u> | <u>7,784,689</u> | <u>7,208,944</u> |
| Total 2022 | <u>7,208,944</u> | <u>7,208,944</u> | |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Maintenance & advancement 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------|--|-----------------------------|-----------------------------|
| Telephone costs | 85,159 | 85,159 | 43,896 |
| Audit and accountancy fees | 22,376 | 22,376 | 25,325 |
| Insurance | 58,890 | 58,890 | 59,151 |
| Legal and professional costs | 106,707 | 106,707 | 124,043 |
| Consultancy costs | 83,563 | 83,563 | 152,508 |
| Travel and subsistence | 12,693 | 12,693 | 6,679 |
| Subscriptions | 18,537 | 18,537 | 15,439 |
| Bank charges | 3,338 | 3,338 | 1,076 |
| Postage and stationery | 2,294 | 2,294 | 3,452 |
| Sundry expenses | 6,553 | 6,553 | 3,400 |
| Restructuring costs | 74,096 | 74,096 | 61,951 |
| | <u>474,206</u> | <u>474,206</u> | <u>496,920</u> |
| Total 2022 | <u>496,920</u> | <u>496,920</u> | |

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £18,800 (2022 - £17,000), and preparation of financial statements of £3,576 (2022 - £5,325).

11. Staff costs

| | Group 2023 £ | Group 2022 £ | Company 2023 £ | Company 2022 £ |
|--|-------------------------|--------------------|-------------------------|----------------------|
| Wages and salaries | 4,682,984 | 4,172,942 | 4,682,984 | 4,172,944 |
| Social security costs | 421,429 | 340,719 | 421,429 | 340,719 |
| Contribution to defined contribution pension schemes | 766,841 | 695,934 | 766,841 | 695,932 |
| | <u>5,871,254</u> | <u>5,209,595</u> | <u>5,871,254</u> | <u>5,209,595</u> |

During the year expenditure of £104,970 was recognised in relation to voluntary redundancies agreed in the period (2022: £73,446).

£52,996 of this is an accrued liability at the balance sheet date (2022: £73,446).

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

11. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

| | Group 2023 No. | Group 2022 No. | Company 2023 No. | Company 2022 No. |
|-----------|---|---|---|---|
| Employees | 234 | 252 | 212 | 248 |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | Group 2023 No. | Group 2022 No. |
|--------------------------------|---|---|
| In the band £60,001 - £70,000 | 1 | 1 |
| In the band £90,001 - £100,000 | 1 | 1 |

In 2023, Royal Pavilion and Museums Trust consider their key management personnel to be:

H Swain, Chief Executive; C Tapping, Head of Collections & Conservation; A Thomas, Director of Enterprise and Visitor Experience and C Evans, Head of Engagement.

The four key management personnel received total aggregate remuneration of £349,656 (2022: £299,078), made up of salaries of £268,258 (2022: £254,319), employers national insurance £33,647 (2022: £17,950) and employers pension contributions of £47,750 (2022: £26,809).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

13. Fixed asset investments

| Company | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 April 2022 | 1 |
| | <hr/> |
| At 31 March 2023 | 1 |
| | <hr/> <hr/> |
| Net book value | |
| At 31 March 2023 | 1 |
| | <hr/> |
| At 31 March 2022 | 1 |
| | <hr/> <hr/> |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

13. Fixed asset investments (continued)

Principal subsidiaries

The following were subsidiary undertakings of the Company:

| Names | Company number | Charity registration number | Registered office or principal place of business | Principal activity | Class of shares | Holding | Included in consolidation |
|---|-----------------------|------------------------------------|---|---|------------------------|----------------|----------------------------------|
| RPMT Enterprises Ltd | 12451429 | | 4-5 Pavilion Buildings Brighton BN1 1EE | The principal activity is that of operation of the cafes and shops in the historical buildings run by Royal Pavilion and Museums Trust. | Ordinary | 100% | Yes |
| The Royal Pavilion and Museums Foundation | | 275242 | 4-5 Pavilion Buildings Brighton BN1 1EE | The principal activity is the advancement of arts, culture and heritage through acquisition of suitable objects and works of art. | | -% | Yes |

The financial results of the subsidiaries for the year were:

| Names | Income £ | Expenditure £ | Profit/(Loss) / Surplus/ (Deficit) for the year £ | Net assets £ |
|---|---------------------|--------------------------|--|-------------------------|
| RPMT Enterprises Ltd | 943,585 | 675,096 | 268,489 | 269,490 |
| The Royal Pavilion and Museums Foundation | - | - | - | 169,375 |

Royal Pavilion and Museums Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

14. Stocks

| | Group 2023 £ | Group 2022 £ | Company 2023 £ | Company 2022 £ |
|-------------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Finished goods and goods for resale | 224,400 | 265,788 | 121,089 | 216,913 |

15. Debtors

| | Group 2023 £ | Group 2022 £ | Company 2023 £ | Company 2022 £ |
|------------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Due within one year | | | | |
| Trade debtors | 66,056 | 89,574 | 58,839 | 75,148 |
| Amounts owed by group undertakings | - | - | - | 251,751 |
| Other debtors | 46,080 | 3,693 | 45,890 | 3,646 |
| Prepayments and accrued income | 695,194 | 397,246 | 675,512 | 397,246 |
| | 807,330 | 490,513 | 780,241 | 727,791 |

16. Creditors: Amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Company 2023 £ | Company 2022 £ |
|------------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Trade creditors | 418,251 | 427,872 | 404,283 | 412,237 |
| Amounts owed to group undertakings | - | - | 66,313 | - |
| Other taxation and social security | 255,858 | 319,467 | 223,799 | 306,505 |
| Other creditors | 4,029 | 10,473 | 3,430 | 10,393 |
| Accruals and deferred income | 208,939 | 283,179 | 187,685 | 236,953 |
| | 887,077 | 1,040,991 | 885,510 | 966,088 |

17. Creditors: Amounts falling due after more than one year

| | Group 2023 £ | Group 2022 £ | Company 2023 £ | Company 2022 £ |
|--------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Concessionary loan | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |

During the period the Charity did not draw down any further from the loan facility from Brighton and Hove City Council (£2,000,000 was drawn down in the prior year from a maximum £4,000,000 loan facility).

The loan is interest free and repayable by September 2030.

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Notes to the financial statements
For the year ended 31 March 2023

18. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|------------------------------------|---------------------------------|------------------|--------------------|-------------------------------------|
| Unrestricted funds | | | | |
| Designated funds | | | | |
| Learning appeal | 1,735 | - | (1,735) | - |
| Museum Objects Acquisition reserve | 64,914 | - | (5,330) | 59,584 |
| Royal Pavilion fund | 99,274 | - | (32,591) | 66,683 |
| JHG Botswana | 54,748 | 80,959 | (289) | 135,418 |
| JHG designated | 100,337 | - | (103,456) | (3,119) |
| Julian Crampton legacy | 59,741 | (40) | (18,500) | 41,201 |
| | <u>380,749</u> | <u>80,919</u> | <u>(161,901)</u> | <u>299,767</u> |
| General funds | | | | |
| General funds | (51,004) | 6,586,157 | (7,764,149) | (1,228,996) |
| Total Unrestricted funds | <u>329,745</u> | <u>6,667,076</u> | <u>(7,926,050)</u> | <u>(929,229)</u> |
| Endowment funds | | | | |
| The Graham Loder Endowment | 169,375 | - | - | 169,375 |
| Restricted funds | | | | |
| ACE South East Museum Development | 15,399 | 640,095 | (616,058) | 39,436 |
| Robertson Bequest | 14,253 | - | - | 14,253 |
| Garden Project | - | 40,472 | (32,388) | 8,084 |
| Tomkinson Piano Restoration | 9,007 | - | - | 9,007 |
| Adelaide Chinese wallpaper | 6,846 | - | - | 6,846 |
| Pagoda conservation | 16,762 | 4,500 | (14,304) | 6,958 |
| Constable Launch | - | 18,638 | (18,638) | - |
| Learning appeal | 4,099 | - | (28) | 4,071 |
| Esme Fairburn MA Collections | - | 26,780 | (25,972) | 808 |
| Schools archaeology fund | 3,755 | 51 | (2,079) | 1,727 |
| RP garden appeal | 5,866 | - | (5,866) | - |
| Graham Loder legacy | 7,509 | - | - | 7,509 |
| Jack Thompson Hove Museum | 180,538 | - | - | 180,538 |
| Adelaide Chinese Wallpaper 2 | 6,132 | - | - | 6,132 |

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Notes to the financial statements
For the year ended 31 March 2023

18. Statement of funds (continued)

Statement of funds - current year (continued)

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Balance at 31 March 2023 £ |
|------------------------------|---------------------------------|-------------------------|---------------------------|-------------------------------------|
| Arts Fund Fellowship | 10,650 | 2,150 | (500) | 12,300 |
| NLHF - Goal Power | 6,866 | 22,650 | (29,395) | 121 |
| JH Green Culture Change | 200,000 | - | (41,937) | 158,063 |
| NLHF - Digital Fund | - | 24,390 | (24,390) | - |
| CoPub Agreement | 20,000 | 10,000 | (14,421) | 15,579 |
| Other small restricted funds | 6,708 | 22,039 | (29,007) | (260) |
| | <u>514,390</u> | <u>811,765</u> | <u>(854,983)</u> | <u>471,172</u> |
| Total of funds | <u><u>1,013,510</u></u> | <u><u>7,478,841</u></u> | <u><u>(8,781,033)</u></u> | <u><u>(288,682)</u></u> |

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Notes to the financial statements
For the year ended 31 March 2023

18. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Balance at 31 March 2022 £ |
|------------------------------------|---------------------------------|------------------|--------------------|-------------------------------------|
| Unrestricted funds | | | | |
| Designated funds | | | | |
| Learning appeal | 2,000 | - | (265) | 1,735 |
| Museum Objects Acquisition reserve | 64,914 | - | - | 64,914 |
| Royal Pavilion fund | 123,194 | - | (23,920) | 99,274 |
| JHG Botswana | 54,748 | - | - | 54,748 |
| JHG designated | 98,487 | 86,907 | (85,057) | 100,337 |
| Julian Crampton legacy | - | 67,899 | (8,158) | 59,741 |
| | <u>343,343</u> | <u>154,806</u> | <u>(117,400)</u> | <u>380,749</u> |
| General funds | | | | |
| General funds | 1,538,964 | 5,645,205 | (7,235,173) | (51,004) |
| Total Unrestricted funds | <u>1,882,307</u> | <u>5,800,011</u> | <u>(7,352,573)</u> | <u>329,745</u> |
| Endowment funds | | | | |
| The Graham Loder Endowment | <u>169,375</u> | <u>-</u> | <u>-</u> | <u>169,375</u> |
| Restricted funds | | | | |
| ACE South East Museum Development | 36,795 | 568,676 | (590,072) | 15,399 |
| Robertson Bequest | 15,450 | - | (1,197) | 14,253 |
| Garden Project | 11,560 | - | (11,560) | - |
| Tomkinson Piano Restoration | 8,792 | 1,000 | (785) | 9,007 |
| Adelaide Chinese wallpaper | 10,000 | - | (3,154) | 6,846 |
| Pagoda conservation | 12,667 | 10,019 | (5,924) | 16,762 |
| Constable Launch | 10,216 | - | (10,216) | - |
| Learning appeal | 5,070 | 265 | (1,236) | 4,099 |
| Esme Fairburn MA Collections | 3,000 | - | (3,000) | - |
| Schools archaeology fund | 3,755 | - | - | 3,755 |
| RP garden appeal | 12,366 | 6,500 | (13,000) | 5,866 |
| Graham Loder legacy | 7,509 | - | - | 7,509 |
| Jack Thompson Hove Museum | 185,811 | - | (5,273) | 180,538 |
| Adelaide Chinese Wallpaper 2 | - | 22,751 | (16,619) | 6,132 |

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18. Statement of funds (continued)

Statement of funds - prior year (continued)

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Balance at 31 March 2022 £ |
|------------------------------|---------------------------------|-------------------------|---------------------------|-------------------------------------|
| Arts Fund Fellowship | - | 22,750 | (12,100) | 10,650 |
| NLHF - Goal Power | - | 10,000 | (3,134) | 6,866 |
| JH Green Culture Change | - | 200,000 | - | 200,000 |
| NLHF - Digital Fund | - | 3,500 | - | 3,500 |
| CoPub Agreement | - | 20,000 | - | 20,000 |
| Other small restricted funds | 1,779 | 3,005 | (1,576) | 3,208 |
| | <u>324,770</u> | <u>868,466</u> | <u>(678,846)</u> | <u>514,390</u> |
| Total of funds | <u><u>2,376,452</u></u> | <u><u>6,668,477</u></u> | <u><u>(8,031,419)</u></u> | <u><u>1,013,510</u></u> |

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Notes to the financial statements
For the year ended 31 March 2023

18. Statement of funds (continued)

Designated Funds

Learning Appeal - Funds for learning related projects

Museum Objects Acquisition Reserve - funds transferred to the Museum Service at time of merger of Brighton & Hove councils in 1996. The Director of Service designated the fund to support collections display, conservation and care.

Royal Pavilion Fund - Ringfenced reserves for use for capital works and improvements to the fabric and presentation of the building.

JHG Botswana - Sum set aside for loan of objects to The Khama III Memorial Museum, Botswana as an outcome of the Making African Connections: Decolonial Futures for Colonial Collections project 2019-21. Object loan deferred due to COVID and travel restrictions.

JHG Designated - Underspends on Annual JHG budget accrued over a number of years due to success in finding partnership funding for projects from elsewhere. The funds should be expended in line with the with JHG Charitable Trust's charitable purposes and trustees made aware of how it is being used.

Julian Crampton Legacy - Bequest from the late Professor Julian Crampton, former Chair of the Royal Pavilion & Museums Foundation which RPMT has designated for staff training and development.

Endowment fund

The Graham Loder Endowment - Bequest from former Member Graham Loder received in April 2010. The capital sum of £169,375 must be retained to generate investment income. The resulting income from the interest is restricted to the purchase of contemporary art and craft and is shown as a separate restricted fund. No purchases on behalf of the fund were made in 2020-21 or 2021-22.

Restricted funds

The Graham Loder Legacy is the income from interest on the endowment fund and is restricted to the purchase of contemporary art & craft.

The Royal Pavilion Garden Appeal - Funds raised from public appeal to support the restoration and maintenance of the Royal Pavilion Garden transferred from the foundation at the point the Trust was formerly established.

Learning Appeal - Donations raised through a former fundraising campaign 2015-2016 to help children visit museums.

Constable Launch represents monies received towards a learning resource and BSL & audit described events to accompany the Constable Exhibition in 2017.

The Pagoda Conservation Fund comprises donations to our Pagoda Restoration appeal. This funding is to be used for the restoration of two porcelain pagodas at the Royal Pavilion.

Tomkinson Piano Restoration – Donations raised through an appeal towards the restoration of the Tomkinson piano at the Royal Pavilion.

Schools Archaeology Fund – a generous donation from a local archaeological charity towards materials and activities related to schools visiting the Archaeology Gallery.

Ace South East Museum Development - Arts Council England National Portfolio Organisation funding for South East Museum Development Service to deliver annual business plan as agreed by the Museum Development Coordination Group.

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Notes to the financial statements
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18. Statement of funds (continued)

Robertson Bequest - The Robertson Charitable Trust made a charitable donation of £65,000 to the Royal Pavilion & Museums, Brighton & Hove in 2005, in memory of Charles and Barbara Robertson. The grant is held "on trust to apply the capital and income to meet the cost of conserving, displaying and purchasing (or contributing to the purchase of) items held or to be held as part of the 20th Century Decorative Art Collections maintained by the Brighton Museum".

Adelaide Chinese Wallpaper - Grant for Wallpaper conservation and research from the Paul Mellon Charitable Trust

Jack Thompson Hove Museum - Jack Outhwaite Thompson Legacy bequeathed to the Art Fund for the benefit of Hove Museum in 2003. The legacy funds are restricted to use by Hove Museum for acquisitions and/or care of its collections.

CoPub Agreement - Donation from Patron to fund salary for Curatorial time to research and write a publication on the Royal Pavilion over 2 year period.

NLHF Goal Power - Grant funding for trip to the US to support research for exhibition Goal Power! Women and Football.

Arts Fund Fellowship - Research project to fully document the objects that have a connection to Martin Battersby, an important benefactor to the collections.

Adelaide Chinese Wallpaper 2 - Second grant for Wallpaper conservation and research from the Paul Mellon Charitable Trust.

Garden project - National Lottery Heritage Fund Development funding to work up Royal Pavilion Garden project to Stage 2 submission phase. Funding to cover project staffing.

Esme Fairburn MA Collections - Funding from the Esme Fairburn's Collections Fund to use the bird dioramas at the Booth Museum to support children & families in developing their understanding of environmental change and the value of natural history collections.

JH Green Culture Change - National Lottery Heritage Fund project to new digital content with volunteers for bring your own device (BYOD) tours of Brighton Museum and Preston manor.

NLHF Digital Fund - National Lottery Heritage Fund project to new digital content with volunteers for bring your own device (BYOD) tours of Brighton Museum and Preston manor.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ |
|-------------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Current assets | 1,957,848 | 471,172 | 169,375 | 2,598,395 |
| Creditors due within one year | (887,077) | - | - | (887,077) |
| Creditors due in more than one year | (2,000,000) | - | - | (2,000,000) |
| Total | (929,229) | 471,172 | 169,375 | (288,682) |

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Notes to the financial statements
For the year ended 31 March 2023

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ |
|-------------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Current assets | 3,370,736 | 514,390 | 169,375 | 4,054,501 |
| Creditors due within one year | (1,040,991) | - | - | (1,040,991) |
| Creditors due in more than one year | (2,000,000) | - | - | (2,000,000) |
| Total | 329,745 | 514,390 | 169,375 | 1,013,510 |

20. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2023 £ | Group 2022 £ |
|---|-----------------------------|-----------------------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (1,302,192) | (1,362,942) |
| Adjustments for: | | |
| Decrease / (increase) in stocks | 41,388 | 50,969 |
| Decrease/(increase) in debtors | (316,817) | 175,429 |
| Increase/(decrease) in creditors | (153,914) | 180,798 |
| Net cash used in operating activities | (1,731,535) | (955,746) |

21. Analysis of cash and cash equivalents

| | Group 2023 £ | Group 2022 £ |
|--|-----------------------------|-----------------------------|
| Cash in hand | 1,566,665 | 3,298,200 |
| Total cash and cash equivalents | 1,566,665 | 3,298,200 |

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Notes to the financial statements
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22. Analysis of changes in net debt

| | At 1 April 2022 | Cash flows | At 31 March 2023 |
|--------------------------|--------------------|--------------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 3,298,200 | (1,731,535) | 1,566,665 |
| Debt due after 1 year | (2,000,000) | - | (2,000,000) |
| | <u>1,298,200</u> | <u>(1,731,535)</u> | <u>(433,335)</u> |

23. Pension commitments

The pension cost charge represents contributions payable by the group to the fund and amounted to £797,405 (2022: £722,127). Contributions totalling £79,863 (2022: £87,658) were payable at the balance sheet date and are included within creditors.

24. Related party transactions

Charity and group:

No related party transactions during the period.

Charity:

No related party transactions during the period.

25. Controlling party

The trustees who are also the directors control the charity.