

Registered number: 978279

Charity number: 261430

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**WATERMILL THEATRE LIMITED**  
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**CONTENTS**

	<b>Page</b>
Reference and administrative details of the Charity, its Trustees and advisers	1
Chair’s statement	2 – 3
Trustees’ report	4 – 21
Trustees’ responsibilities statement	22
Independent auditor’s report on the financial statements	23 – 25
Consolidated statement of financial activities	26 – 27
Consolidated balance sheet	28
Charity balance sheet	39
Consolidated statement of cash flows	30
Notes to the financial statements	31 – 47

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**Trustees**

M Lynas Chair (Chair – appointed 3 June 2024)	M Whitlum Cooper
K Breathwick (Vice Chair)	N Humby
	R Jahangard
	S Bansal
C Barber (appointed 27 July 2024)	T Wentworth
C Titley-Rawson	
D W Grindrod	B Chadder (resigned 1 February 2025)
D Powell	J Bunting (resigned 28 September 2024)
H Williamson	S K Parsonage (resigned 28 September 2024)
	A G McKenzie (Chair resigned 3 June 2024)

<b>Company registered number</b>	978279
<b>Charity registered number</b>	261430
<b>Registered office</b>	Bagnor, Newbury, Berkshire, RG20 8AE
<b>Key management personnel</b>	Paul Hart – Company Secretary and Joint CEO Claire Murray – Joint CEO Kim Austen – Finance and Resources Director Heidi Bird – Outreach Director Emma Bright – Marketing Director Steph Dewar – Development Director Cat Pewsey – Company Stage Manager Neil Starke – Production & Technical Manager
<b>Independent auditor</b>	Wenn Townsend, 30 St Giles’, Oxford OX1 3LE
<b>Bankers</b>	Handelsbanken, Oxford Square, Newbury RG14 1JQ
<b>Solicitors</b>	Harbottle & Lewis LLP, Hanover Square, London W1S 1HP

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**CHAIRS' STATEMENT FOR THE YEAR ENDED 31 MARCH 2025**

We are pleased to be able to reflect on a positive outcome this year. This is testament to the strength of the strategic business plan, which we introduced following the 100% cut from Arts Council England, and to the hard work and dedication of the whole team under Claire and Paul's leadership.

Artistically, our distinctive approach has seen us refresh classics such as *Much Ado About Nothing* and *The King's Speech*; invest in new writing including *The Autobiography of a Cad* by Ian Hislop and Nick Newman, and *Fanny* by Calum Finlay (the latter in association with RJG Productions); and produce two actor-musician led shows: a revival of *Barnum* and an adaptation of Michael Morpurgo's *Pinocchio*. In addition, we've been pleased to maintain an opportunity for members of our Youth Theatre to take to the stage with a production of *Emil and the Detectives*. We've welcomed more than 58,000 people to Watermill productions, playing to an average capacity of 88% – on par with the levels we achieved prior to the pandemic. We've also been pleased to see the number of people booking two or more productions double during this year.

We've also been proud to have two of our homegrown shows take to stages nationally and internationally: *The Lord of the Rings* having its American premiere at Chicago Shakespeare Theatre in July 2024, followed by a transfer to New Zealand and a tour of Australia; and *Calamity Jane* embarking on a huge 32-date UK tour, with Carrie Hope Fletcher in the title role. The fact that these productions have been taken on in this way by commercial producers and have been met with such positive responses from both critics and audiences, is a reflection of the quality of the original productions created here at The Watermill.

Fundraised income is more vital than ever as we have continued to transition from our NPO status to becoming an independent charity and we've been grateful for the support of several trusts and foundations who have offered grants to cover core costs, in particular Backstage, Sheepdrove and Greenham Trusts. These grants are integral to our ability to plan and deliver such an ambitious and impactful programme of work both on and off stage.

In addition, the support we've enjoyed from so many individuals has been exceptional, with growth in the number of people committing to make regular donations to one off support given through the Box Office. A great example of the impact of this is our ability to welcome almost 400 children from low income families to enjoy *Pinocchio* with us last Christmas.

We've been delighted to have several high profile advocates lend their support to our fundraising, with Robert Harris, Ian Hislop and Dame Judi Dench each offering our audiences a unique insight into their creative careers and relationship to the theatre through exclusive 'Audience With' events.

Our work with local communities has grown with youth theatre and specialist workshops at the Watermill expanding with musical theatre workshops, an additional home education group and new sessions reaching young people local to Thatcham. The Careers in the Arts

**WATERMILL THEATRE LIMITED**  
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**CHAIRS' STATEMENT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

programme, in partnership with the Corn Exchange, has gone from strength to strength engaging over 13,000 young people in everything from careers fairs and work experience to workshops and traineeships.

Thanks to funding from Greenham Trust we were also able to ensure 51 performances were offered with additional access provision, including integrated BSL interpretation, audio description and closed captioning.

Our commitment to supporting artists at the early stages of their career has included the launch of Elemental which gave 4 artists from a range of creative disciplines the opportunity to work on a Watermill production as part of the creative team as well as mentoring support from an established artist. This year, 12% of our creatives and 29% of our casts were made up of recent graduates. We've also continued to ensure that the teams working on our productions represent a range of lived experience with 37% of our actors from the global majority and 10% who identify as deaf, hard of hearing or disabled.

The continuing work to develop our commercial income has yielded excellent results with successful one night events including stand-up comedy in the theatre, murder mysteries in the restaurant, an increase in private hire and the diversification of our food and drink offer. This is an area where we hope to generate further growth over the next year.

Recognising that the site and buildings are key assets for the charity we have made several capital investments over this twelve months, including the replacement of an exterior wooden emergency exit, with a new metal staircase, a new sound system in the theatre, and the installation of six EV charging points.

We have also made an investment in a new brand identity and a new website as a part of our transition from the Arts Council's National Portfolio. We are pleased to be entering the new financial year with a visual identity that matches our ethos and culture – placing audiences at the heart of the work and that taking an innovative and bold approach to delivering on our charitable objectives.

We are grateful to our audiences, artists and our staff along with the trusts, foundations, donors and businesses who have made this year such a positive one. I'd also like to thank my fellow trustees for their commitment to the organisation, including those who have stood down during the year. We are looking forward to the next year as the second in our current business plan, and one which will see us further strengthen our position as an independent charity.

Signed by:  
  
9D2DF4A021C24A7...

Michael Lynas

Chair of the Board of Trustees

Date 12 July 2025

**WATERMILL THEATRE LIMITED**  
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**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees present their annual report together with the audited financial statements of the group and the charity for the year to 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity. In performance of their duties, the Trustees have had due regard to guidance published by the Charities Commission on public benefit.

**REPORT OF THE EXECUTIVE, INCLUDING STRATEGIC REPORT**

**For the year ending March 2025**

**The Watermill – Mission and Ethos**

The Watermill's charitable objects are to promote, maintain, improve and advance education particularly by the production of educational plays and the encouragement of the arts.

Our mission is to make theatre that is surprising, inventive and exciting, and to make it for everyone. We nurture and celebrate talent and creativity in our company, community and in the sector, and we hold wellbeing, equity and sustainability at the heart of our culture.

Nestled on the banks of the river Lambourn, our converted Grade II listed rural watermill is home to a unique powerhouse of residential and artistic facilities which provide a crucible for creativity, innovative storytelling, and artistic excellence. Artists and creatives from the UK and beyond develop their craft with us, making work which bursts out of the building to tour across the UK, or transfer to the West End. The reach, quality and innovation of our productions is evidenced by a strong track record of co-productions with commercial and subsidised companies.

Our work is characterised by an enduring pursuit of artistic innovation and the weaving of actor-musicianship through new writing and reinvigorated classics. We create the environment for actors and creatives to take risks, we tell stories on stage which reflect diverse lived experiences and we discover new ways to connect our annual audiences of over 50,000, with live theatre that truly resonates. Our engagement programmes reaches around 15,000 people each year, in the theatre, schools and other community settings. We engage with those who are underrepresented, hard to reach, or at risk and we drive long term impact for communities.

**WATERMILL THEATRE LIMITED**  
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**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

The organisation holds four values at its heart:

**Inclusivity & equity**

The Watermill makes work and is a place for all our community. We are committed to making our buildings, productions and participation opportunities accessible and inclusive.

Attracting and nurturing talent – on and off stage, in both the artistic and administrative areas of the organisation – remains a fundamental commitment. In addition, artistic decisions and the delivery of the programme will be underpinned by a core belief that the stories we tell and the people who are part of telling them reflect and celebrate a diversity of lived experience. Our Outreach programme will continue to engage with those whose access to the arts is limited and will particularly attend to the needs of our local communities. We will continue to prioritise accessibility in our capital planning, ensuring improvements to benefit audiences, artists and staff members across the site and buildings.

**Creativity**

Creativity is part of the essence of The Watermill, and we believe that taking an inventive and playful approach is part of offering a joyful experience for everyone. This belief informs the way we approach stories – both new and old; how we stage a production; the approach to a project or activity designed to reach and engage participants and audiences; our communications; and our menu. We nurture and celebrate everyone's creativity and hold it as a key tenet of our work.

**Sustainability**

Uniquely located on the banks of a river, next to a nature reserve and site of special scientific interest, our relationship to the natural world is integral to the experience of living, working or paying a visit to The Watermill. The climate crisis has a real impact on our operation eg through flooding due to rising river water. As such, we consider taking positive action to reduce our environmental impact a moral obligation driven by a business rationale. Adopting sustainable practices will be central to our operations over the next three years. Underpinned by an understanding of carbon literacy in the arts, we will develop our use of the Green Book principles and effect change in areas including production; food and drink; energy use and waste management; transport; and, in the longer term, the way we tour and transfer our work.

**Community**

Community and collaboration are central to The Watermill's ethos. The site and buildings are a home to artists during their time here, and permanent home to our Artistic Director's family, as well as being a place where the work is made by creatives, actors and our staff team. The combination of home and workplace creates a closer working relationship between our teams and lends itself to a sense of ensemble. We aim to recognise the personal and professional needs of everyone; for example, we support parents and carers through sensitive scheduling and flexible working for on and off stage roles.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

The workplace ethos extends to our wider community of participants and audiences with a commitment to understanding their experiences and meeting their needs and expectations to ensure that they can access and enjoy every aspect of our work.

**Achievements and Performance**

- We welcomed 58,203 people to our in-house productions over the year, an increase of 17% on 23/24 and bringing us back to the levels of attendance we last saw pre-Covid.
- Of the 7 productions we brought to the stage, there were two new plays (Fanny and Autobiography of a Cad), a new musical adaptation (Pinocchio), and three revivals, including our major summer musical (Barnum, Much Ado About Nothing, Emil and the Detectives).
- Barnum transformed our site into a world of circus, continuing the success of the summer musical as a semi-immersive experience. We achieved 97% capacity across the 10-week run and 21% of those who attended were first time bookers.
- Our musical adaptation of Michael Morpurgo's Pinocchio was cited as one of the Guardian's Top 10 shows of 2024, as well as garnering a string of 5-star reviews. We offered 400 free tickets to children, young people and families thanks to public support for our Geppetto's Gift campaign.
- Dame Judi Dench lent her support to our fundraising, offering a unique 'audience with' event to audiences, meeting the company of Much Ado About Nothing and speaking beautifully about her affection for The Watermill and its importance to the wider cultural ecology.
- Welcomed over 15,680 people to take part in our outreach activity this year, with 187 young people taking part on a weekly basis.
- Doubled the number of young people engaging through Careers in the Arts, through backstage tours, creative workshops and career insight events.
- Offered 51 access performances across the year, with 383 audience members utilising our access services.
- 37% of our actors identified as Global Majority, 10% were deaf or disabled and 53% identified as female or non-binary.
- Increased other commercial trading income by £149k, a 24% increase from 23/24



**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

- Capital investments included 6 EV charging points (ACE funded); a new sound system in the theatre and replacement of exterior fire escape (supported by Theatres Trust)

**ARTISTIC PROGRAMME**

In 2025 we continued to adapt the shape of the programme, extending the length of many of the production runs as well as collaborating with partners to bring new productions to the stage.

In April **Much Ado About Nothing** saw the return of the Shakespeare Ensemble with a riotous new production, adapted by Tom Wentworth, set in 1940s Hollywood. ★★★★★ *'Every conceit and confection contributes to a glorious theatrical whole'* WhatsOnStage

We continued with a collaboration with RJG Productions on a new play: **Fanny**. This comedy imagined the perspective of Felix Mendelsohn's sister, as the lesser known, but equally talented author of some of Felix's best known works. This production will have a continued life in autumn 2025 at The King's Head. *'A pithily written riot of a good time'* The Stage

Programming a title to follow The Lord of the Rings was a challenging task, however **Barnum** surpassed our hopes and its target, playing to 97% capacity across its 10 week run and wowing audiences with its combination of amazing actor musicianship, movement and acrobatics, including an astonishing tightrope walk taking place on every one of the 76 performances.

★★★★★ *'One shy elephant and 18 dazzling, multiskilled performer-musicians. A summer spectacle'* The Observer

In the autumn we brought a revival of David Seidler's **The King's Speech** to the stage, with Peter Sandys-Clarke and Arthur Hughes taking the roles of Bertie and Lionel respectively. This sensitive and moving production in the intimate auditorium brought a new dimension to this beautiful play and the personal relationship between these two men. We were pleased to work with the Fluency Trust to inform our approach to the production and support our engagement with people who live with a stammer.

★★★★★ *'An absorbing and uplifting production You should go see it'* The Spy in the Stalls

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

At Christmas we offered audiences aged 4+ a new musical adaptation of Michael Morpurgo's **Pinocchio** (adapted by Simon Reade and Chris Lerner). Beautifully brought to life by co-directors Elle While and Indiana Lowne Collins, this show garnered a string of 5 star reviews and was named as one of the top ten best shows of 2024 by The Guardian. ★★★★★ *'Fresh, boisterous production brought to life with ingenuity, talent and flair'* The Stage

★★★★★ *'There's nothing wooden about this magical musical. Simply glorious.'* The Guardian

In 2025 we were pleased to reunite with Ian Hislop and Nick Newman on a new play we had commissioned: **The Autobiography of a Cad**. A satirical comedy about an unscrupulous politician, the cast of 3 portrayed over 25 characters between them in this ingenious and hilarious production.

★★★★ *'mercilessly and outrageously funny satire directed with Joyful glee and terrific pace'* WhatsOnStage

Our year concluded with our Youth Ensemble production of **Emil and the Detectives**. Directed by our Outreach Director, Heidi Bird, this production saw 30 young people perform to sold-out audiences for 4 performances. This show also benefitted from 5 young people being involved in delivering access performances, sound, stage management and puppetry. *'a joy to watch'* Newbury Today

**The Watermill - Nationally and Internationally**

Our production of The Lord of the Rings had its American premiere in July 2024. Co-produced with Chicago Shakespeare Theatre, over 30,000 experienced this large-scale 25th version of the Watermill original. The production then continued with a transfer to Auckland, New Zealand, and a tour of Australia.

*'A must see show'* Chicago Stage & Screen

*'The most exhilarating and immersive iteration of Middle-Earth yet'* The New Zealand Herald

*A night at the theatre you won't want to miss'* Australian Stage

Meanwhile, in the UK, our 2014 production of Calamity Jane began a 32-date national tour, with Carrie Hope Fletcher in the title role. An actor-musician led production, this show has already been enjoyed by over 86,500 people across the country and will be seen by many thousands more by the time the tour ends in September 2025.

*'Who can resist a thigh-slapping hoedown?'* The Times

★★★★ *'Genuine crowd-pleaser of a show'* The Stage

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

**Inclusivity and Diversity**

We continue to ensure that we are reflecting the diversity of the UK in our acting and creative companies, as well as in the stories we are sharing.

Of the actors we employed this year:

- 53% were Female including trans women or non-binary (57% in 23/24)
- 10% identified as deaf or disabled (11% in 23/24)
- 37% identified as Global Majority (45% in 23/24)
- 29% were graduates (32% in 23/24)

We advertised 4 creative roles via Open Hire and alongside appointing into those positions, met creatives who then were appointed into roles on subsequent productions.

Other work in this area included:

- Delivering 51 access performances, including 3 Relaxed Performances and 8 BSL integrated performances.
- Scheduling a specific Relaxed Performance for our Christmas production of Pinocchio, welcoming specifically 25 young people and their support workers from a SEN school.
- Offering 391 tickets to young people and families from lower socio-economic backgrounds for our production of Pinocchio through our Geppetto's Gift campaign.
- Offering 22 bursary places for our Outreach programme and a full range of free weekly access workshops and a pay-more/pay less scheme for regular youth theatre group places
- Over 25% of the house priced at the lowest price, Open Access concessions, schools' rates, and under 16s tickets available for all productions targeted at families.
- The launch of our Beginners scheme for 16-30 year olds offering tickets on all productions for only £10
- Creating an inclusive Youth Ensemble performance, with BSL integration delivered throughout and young performers learning and performing elements of the sign integration.  
 Delivering fortnightly BSL Chatty Corner sessions to support individuals and families to learn British Sign Language.
- Working with community partners such as Educafe, Recovery in Mind and PALS, reaching and supporting under-represented communities and delivering specialist projects in response to our main house productions.
- Delivering a partnership project with The Fluency Trust alongside our production of The King's Speech. Hosting a post-show panel talk to discuss the approach to representation of stammering onstage and delivering a drama-based workshop for young people who access The Fluency Trust's services.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

- Continuing to promote ourselves as a Disability Confident Employer and providing recruitment adaptations to support those with access needs.
- Community Access and Customer Service Traineeship through Careers in the Arts, offering individuals in their early career a paid placement. Reasonable adjustments made to support access needs of the successful candidates.
- Increasing visibility of Mental Health First Aiders to support staff and creative teams.

**Audiences**

- Over the course of the 2024-25 financial year, we welcomed a total of 61,892 people to theatres for Watermill productions, one night concerts and events in the theatre and restaurant. Our in-house productions returned to pre-Covid levels at over 88% capacity across the 7 productions.
- Audience frequency increased in this financial year, with over 50% more customers booking 2+ times in 24-25 compared to the previous year.
- 4027 new customers booked during this period, totalling 14,315 tickets, including over 1000 under 16 tickets and 500 schools' tickets.
- Pinocchio was a popular title for new bookers, with 29% of the audience coming to the Watermill for the first time, at this key time of year for families. This was influenced by our 'new booker' digital campaign we ran post-opening, taking advantage of the excellent reviews and audience feedback to offer a 'safe' option for customers considering booking for the first time.
- Barnum was also a popular title for new bookers with 21% new to the Watermill, and an overall capacity of 97% achieved across the run.
- During 2024-25, we welcomed back 1564 bookers (totalling 5494 tickets) who had booked pre-pandemic and not returned since. Barnum, The Autobiography of a Cad and The King's Speech were strong titles for this group. Pinocchio also welcomed back several schools to the Watermill, re-engaging for the first time since pre-2020.
- We have recently launched our free Beginners: 16-30 scheme, which offers audiences ages 16-30 tickets for £10 for most Watermill productions.
- Growth in new bookers in younger age brackets was positive in 2024-25, particularly in 26-45 year olds.
- 2024-25 saw the launch of our new visual brand identity and redeveloped website, offering a consistent brand experience reflective of the organisation and an improved customer booking experience online. The full roll out of the brand will continue in 2025-26.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

**OUTREACH, LEARNING AND PARTICIPATION**

This year we have delivered 990 take part opportunities, working with 15,677 participants and facilitating 24,486 engagement opportunities. This provision has been delivered onsite at the Watermill, throughout education settings and with partner organisations.

We have continued to review our provision and have worked closely with our communities to understand current need. We held a specific consultation with voluntary sector organisations and educational specialists, to inform our work for adults and young people who may be considered at risk.

Responding to increased need in our Youth Theatre programme and supporting young people to access provision who may otherwise be unable to reach the Watermill's rural location, we re-structured our youth theatre enabling us to introduce new groups, including an additional Home Education group, our first Actor-Musician workshop and offsite satellite Youth Theatre sessions in Thatcham. We have engaged an additional 50 young people through these new sessions.

Throughout our Outreach provision, we have focused on removing barriers to participation through specialist access provision, bursary places and transport support. Our pay more/pay less payment scheme and full funding assistance has been made available across our regular programme. We have continued to deliver our extensive access work with young people who have added complications in their lives, who have neurodivergences and those who are deaf or hard of hearing. We have delivered 164 specialist sessions, reaching 82 young people who are able to access our work through this specialist provision.

"When we started both children were anxious and afraid of people because of what they experienced at school. Joining has been literally life changing for both of them...They now can build friendships both here and other groups. It has given them the confidence to be children, they can play and have fun with new friends from groups, with children where we live and without the Watermill group, I honestly can't see how that would have happened. It is more than just a class to us". **(Home Education Parent)**

We have built upon the success of the Careers in the Arts programme, to give young people an authentic experience of working with a producing theatre, inspiring a love for the arts and supporting young people to develop transferrable skills. Through this programme, we have delivered 83 focused workshops, engaged with 13,910 young people and engaged with 22 schools. Initiatives have included a week-long programme as part of the national initiative - Discover! Creative Careers Week; Beyond the Stage open-day event and weekly young creatives workshops for young people aged 14-17 years.

To bring the strands of our work together and provide performance opportunities for our young people, every young person who takes part in our regular group was given the opportunity to apply for our Youth Ensemble performance of Emil and the Detectives, either

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

onstage as a performer or working backstage. Through this performance, 30 young people performed on stage and 5 young people supported the process and performance in a creative capacity.

To help us reach families and individuals who are unable to commit to weekly provision or who may be unable to access the Watermill, throughout the year, we have delivered one-off sessions for families, young people and adults in our community. These events have included family fun days, taster sessions and day-long adult scratch choir events. We have also delivered 7 holiday courses, welcoming 142 young people to take part.

Beyond the Watermill, we have reached communities through partnership work. This work has included monthly sessions at Educate reaching families for whom English is a second language, an art project with the Children in Care Council, confidence workshops for secondary aged young people with the Education Business Partnership and drama-focused workshop for Recovery in Mind.

### **Safeguarding**

We work extensively with young people and vulnerable adults, and have clear procedures in place to safeguard our participants:

- 3 fully trained Designated Safeguarding Leads, with bi-annual refresher training for these designated personal.
- Regular reviews of our safeguarding policy and procedures, including annual update of our safeguarding policy.
- Full-time Outreach staff, Designated Safeguarding Officers and freelance facilitators are DBS checked (Disclosure and Barring Service)
- All permanent staff complete annual safeguarding awareness refresher, outlining roles and responsibilities and the importance of safeguarding.
- When working on production, young people are chaperoned by licensed chaperones.
- The Safeguarding Policy is reviewed and updated regularly and is shared with all staff permanent staff at the Watermill and freelancers working with young people and adults at risk.
- Our Outreach Director, Outreach Assistant and Community Associates and Careers in the Arts team have all completed Child and Vulnerable Adult Safeguard training. This knowledge and best practice are shared with all freelance facilitators, full-time volunteers, and actors, where necessary. They are also informed about the Watermill's in-house safeguarding procedures.
- Freelance Outreach Facilitators complete West Berkshire's online safeguarding training before commencing work in the department.
- The concerns raised are documented and confidentially discussed by our designated Safeguarding Officers, who take any necessary action.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

**COMMERCIAL**

We have continued to diversify the commercial offer in line with the business plan and we are pleased to report a positive result in this area representing £760k income (£611k in 23/24).

We have continued to expand our programme of events and this year welcomed the Wardrobe Ensemble to re-mount their production of Princess Smartypants as well as a small sale performance of Rumpelstiltskin for early years and family audiences. We held three comedy nights, as well as music with Voodoo Brass Band and the Gabriel Latchin Trio all of which attracted strong audiences.

The restaurant hosted six Murder Mystery Dining Experiences, along with several private hires including wakes, birthdays, and anniversary dinners.

Theatre tours, programme sales and merchandise, including 'Charity's Sweet Treats', tote bags and pin badges during Barnum, also contributed in this area.

The bar menu ran alongside the restaurant menu throughout the year, and during the summer we once again expanded the catering to an open air casual dining offer. The changes resulted in an overall increase in restaurant takings of 26% over the previous year's income.

**SITE AND BUILDINGS**

The site and our buildings represent important assets which need ongoing investment in their maintenance. Our Grade II listed theatre is unique and at the centre of our creative activities, with accommodation, offices and a restaurant and bar being integral to our operations.

We made several vital capital investments this year, the most significant of which were the replacement of an exterior staircase which had sustained damage (from invasive wasps) and a new sound system in the theatre (replacing the existing one which was over 25 years old).

Further improvements across the rest of the site and buildings have taken place and we are in a positive position on our planned replacement and repairs schedule.

We supported the Environment Agency on the replacement of the sluice adjacent to our property, which was directly funded by the EA. Further work is required to the culvert and to the retaining wall which we hope to be able to undertake in 2025/26.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

**WORKFORCE**

**Volunteers**

The Watermill Front of House team continues to welcome and assist audiences during their visit to the theatre. The team is made up of a core of 3 paid members of staff and 60 volunteer ushers.

No monetary amount has been included in the Group's voluntary income for the period to reflect the 'in kind' support provided by volunteers.

We are enormously grateful to all our Volunteers for their continued loyal support in this difficult year and how willing they have been to come back and support the theatre through these uncertain times.

**Staff**

**Salary**

- The Finance and Audit Committee review and monitor the overall payroll for permanent staff. Approval of any annual percentage increase is then required from the Board of Trustees
- The appropriateness and relevance of the remuneration is kept under review with reference to comparisons with other charities ensuring The Watermill remains sensitive to the broader issues of pay and employment conditions elsewhere
- In deciding pay increases, benchmarking from within the mid-scale theatre community is taken into consideration. Remuneration of key management personnel is decided by the Finance and Audit Committee
- There is access to contributory pension scheme for all qualifying members of staff
- BECTU (Broadcasting, Entertainment, Communications and Theatre Union) is the UK's media and entertainment trade union. It represents staff, contract and freelance workers who are based primarily in the United Kingdom negotiating pay, conditions, and contracts with employers. Although The Watermill does not use BECTU we recognise and pay in accordance with the rates set by the organisation. We also recognise Equity for actors and stage management freelancers. Despite the loss of Arts Council funding, we aim to continue to use the sub-rep agreement for all of our contracts.



**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

**FUNDRAISING**

Fundraised income – contributing to core costs – remains a key component of the business model. The Development department has generated £890k income (£943k in 2023/4), of which £103k is restricted income, and £5k is legacy income.

We continue to benefit from strong support from Trusts and Foundations. This was the second of a three-year funding agreement for several trusts, including a Funding Alliance created as a result of losing ACE funding in 2022. This ongoing support is invaluable, giving us the stability to plan core activities.

Following on from launching the new membership schemes, we have been pleased to see Benefactor levels quadruple over the course of the year. We have invested in the cultivation and stewardship of individuals, with a range of exclusive events, and we have been delighted to build closer relationships with a range of people who are deeply committed to the work of the Watermill.

Throughout the year we ran three public fundraising campaigns: EVOLVE, a core funding campaign, GEPETTO'S GIFT, a campaign to provide Christmas show tickets to local young people from low socio-economic backgrounds, and SPARK, raising funds for youth theatre bursaries. Across the year, these campaigns raised £44k.

We have reviewed and restructured our corporate packages and joined the Thames Valley Chamber of Commerce, as part of our strategy to grow corporate support.

**Ethical Policy & Due Diligence**

The Watermill Theatre is committed to ensuring that its fundraising activities are carried out with the upmost integrity and takes account of the Charity Commission Code of Fundraising Practice. The Watermill Theatre is registered with the Fundraising Regulator and works to its standards of charitable fundraising to ensure honesty and transparency with our donors, and that fundraising activities are legal, respectful, open, honest, and accountable to the public. No complaints were received in 2024/25.

We ensure that all direct fundraising activity is directed to those who have elected to receive information from us or people who would be considered to have a legitimate interest in supporting the theatre. Our strategy is focused on building personal relationships with individuals, businesses, Trusts, and Foundations who are engaged with our work. Relationships are managed by members of the fundraising team and executive with clear records kept of any contact made with donors.

The Board of Trustees has overall responsibility for acting in the charity's best interests, including reviewing fundraising agreements within the context of the ethical fundraising policy, in line with Charity Commission guidance. The day-to-day running of the business

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

is delegated to the Joint Chief Executives and delivered by the Management Team. The responsibility to undertake all fundraising is assigned to the Development Director.

**FINANCIAL REVIEW**

The consolidated statement of financial activities show income from charitable activities for the year was £2.7M (2023-24: £2.3M). Total income for the year was £4.4M (2023-24: £4.1M).

Expenditure on charitable activities in the year was £3.5M (2023-24: £3.3M) and total expenditure for the year was £4.2M (2023-24: £4.0M)

The total funds at 31 March 2025 were £4.8M (2023-24 £4.6M)

**Restricted Funds**

The Watermill restricted funds are receipts which have been provided by donors for specific purposes within the overall aim of the organisation. The restricted income in the year of £103k (2023-24: £350k) is made up of a grant supporting the Community Associate Programme from Greenham Trust (2023-24 also included transition funding from the Arts Council)

The cumulative balance of restricted funds at the year-end are £75k (2023-24: £158k).

**Capital Expenditure**

The strong performance in the year enabled us to invest in much needed replacement capital with £261k spent during the year (2023-24: £78k). This included the purchase of new sound system for the theatre (£99k), replacement external emergency staircase (£74k), new website £38k and six new electric vehicle chargers.

**Unrestricted Funds**

The Trustees report a surplus for the year on unrestricted funds of £15k (total surplus £176k less restricted surplus of £19k = £157k unrestricted surplus).

Watermill Theatre Productions Limited is a subsidiary of Watermill Theatre Limited (the charity) and is commissioned by the Trustees of the charity to produce and make artistic decisions about all its shows and to claim Theatre Tax Relief (TTR) on qualifying production costs. TTR provides the Watermill with a significant repayable credit each year which has enabled and continues to enable more investment in the direct cost of our productions. During 2024/25 the amount of TTR receivable is £391k (2023-24: £462k).

The Watermill's charitable activities are made up of income from ticket sales, Outreach and Education activities, programme sales and TTR. In 2024/25 income from charitable activities represented 63% (2023-24: 61%) of unrestricted income.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

Unrestricted expenditure for the year was £4.0M (2023-24: £3.6M).

**Reserves Policy and going concern**

In determining the Watermill's reserves policy, the Trustees have had regard to the Charity Commission's guidance publication "Charity reserves: building resilience". The Trustees regularly review current finances and future financial trends of the Charity, and, as part of this process, review its level of reserves and its reserves policy annually. These are described as below:

The Trustees consider that a reserves policy is necessary to maintain sufficient resources to ensure that the following objectives are achieved:

- to manage the uncertainties around individual production sales to ensure The Watermill's future
- to continue investment in the charity's key assets of the Grade 2 listed property and its amenities as resources allow
- to further the diversification of all our theatre's activities as resources allow

Having assessed the potential level of risk and taking account of the theatre's planned activities, the Trustees see the reserves being applied in the following way:

- Major capital works - £300,000 - a designated fund for unplanned, but significant issues relating to the maintenance and development of the Grade 2 listed theatre, its offices, rehearsal rooms, restaurant and accommodation for actors and creative team. This provision is also made as a contribution towards
- Future commissions - £50,000 - a designated fund to allow the Charity to invest in future works that might not end up being a full production
- Capital redevelopment fund - £500,000 - a designated fund to enable a fuller programme of capital development to make improvements to the accessibility, environmental sustainability, and financial resilience of the organisation
- Artistic fund - £100,000 - a designated fund to allow investment in shows for exploitation where commercial producer backing is not available
- General unrestricted fund - £650,000 which amounts to the balance of unrestricted funds after the Charity's designations.

The reserves policy aims to hold the equivalent of between 3 to 6 months core running costs as a general unrestricted fund. The core running costs for 25/26 are budgeted to be £1.8M and so the Trustees have concluded that the balance of £656k in this fund is adequate.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

**Financial Resilience**

The Watermill's management and Trustees have taken steps to secure the theatre's resilience by ensuring:

- regular review of costs and introducing operating efficiencies
- that we explore other possible income streams and increase fundraising options
- that we balance and align our artistic ambition with our ability to generate income resulting in a break-even position. This may mean having to produce lower cost productions or more co-productions in order to remain sustainable
- that we manage our resources carefully and creatively, for example reusing production assets for multiple shows where possible.

**Investments**

The Trustees, having regard to the liquidity requirements of the theatre and the reserves policy, operate a policy of keeping available funds in interest bearing deposits, and seek to achieve the best possible rate of return available without risk to the underlying funds of the charity.

Cash held at the year-end was £1.9M (2023-24: £1.8M). Currently all cash deposits are held with five financial institutions, with some one-year fixed deposits.

**Structure, Governance and Management**

Since the Charity and the Group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required to be submitted.

The Board collaborates with the Joint Chief Executives and the Strategic Management Team to ensure that the Watermill's aims and objectives are fulfilled. The Board delegates to the Joint Chief Executives overall responsibility for the day-to-day management of the Watermill.

The Board meets six times a year and receives a presentation on all aspects of the running of the theatre from the Artistic and Executive Director and the Strategic Management Team. There are two further committees:

- Finance and Audit Committee, reviews Annual Budget, Management Accounts, Risk Register and Financial Statements
- Nominations Committee, board recruitment

The Trustees regularly review the structure, size, and composition of the Board, with the object of having a membership of varied and diverse experience that is able to offer help and advice to the Artistic and Executive Director and the theatre's management team.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

Board members are appointed for an initial term of three years, and appointments are extended by approval at the AGM following the end of the term of office.

The existing Trustees, together with the Artistic and Executive Director, ensure that new Trustees receive proper briefing and induction on their appointment.

**Risk management**

**The Watermill faces the following principal risks and challenges:**

The charity has a risk register, which is reviewed at the meeting of the Senior Management Team and presented to the Finance and Audit Committee and the Board every six months as part of the business review and planning process. The system of internal control and risk management is designed to identify and prioritise strategic and operational risks to the achievement of the Watermill's aims and objectives, evaluate the likelihood of those risks being realised and their potential impact, and manage these risks efficiently, effectively and economically.

The Watermill faces the following principal risks and challenges. Main risks include:

- Ensuring that the necessary funds are generated to maintain and improve the assets of the Theatre
- Securing publicly and non-publicly funded grants in an environment of increased demand for these funds
- Continuing to attract audiences and participants in sufficient numbers to achieve its charitable objectives especially in light of the current cost of living crisis

We will address these risks by:

- Generating sufficient income to cover costs
- Continuing to nurture relationships with all present and future funding bodies and researching new funding opportunities
- Making our artistic programme attractive to audiences and ensuring that production values are maintained in all our work; encouraging the audience back by being mindful that ticket prices are accessible and affordable

We undertake to comply with relevant law and regulations, in particular;

- General Data Protection Regulation (in relation to handling the personal data of any donors)
- The Charities Act
- Tax and Gift Aid legislation
- Charity Commission guidance (in relation to seeking views on whether to accept or refuse a particular donation)
- The Bribery Act 2010 (in relation to bribery offences)
- Fundraising Regulator, Code of Practice

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT CONT'D FOR THE YEAR ENDED 31 MARCH 2025**

We ensure that clear policies on data protection, health and safety and safeguarding children and vulnerable adults exist and are compliant with current requirements.

The trustees are satisfied that appropriate internal control systems and risk management processes are in place.

**PLANS FOR THE FUTURE**

**Looking ahead**

**Artistic:** A continued focus on the shape of the programme ie length of runs, opportunities for collaboration with commercial and subsidised partners, and a balance of new writing and refreshed classics with actor musicianship as a cornerstone of the approach. Invest in the future potential of the Watermill's productions, ensuring the quality and longevity of the work and underpinning this with a strong network of partners

**Leadership and Governance:** Keep the organisational structure under review to reflect changes in evolving plans

**Audience Engagement and Development:** Continue to develop the sales and marketing strategy to engage new bookers and retain the current bookers, encouraging loyalty and return bookings.

**Commercial:** Continue to drive increases in commercial activity to support the charitable operations

**Environmental sustainability & site development:** Scoping the need for a capital development project to ensure the organisation's long term resilience and sustainability.

**Fundraising:** Continued focus on grant opportunities for core funding. Further development of the individual giving strategy to include a focus on prospecting.

**Outreach:** Review schools provision – particularly early years and primary – aiming to increase engagement with those with least access and opportunity.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees (who are also directors of the Watermill Theatre Limited 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 year. Under company 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITOR**

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

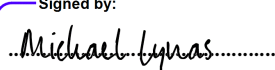
so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's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

**AUDITOR**

The auditor, Wenn Townsend, has indicated its willingness to continue in office. The Designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

This report was approved by the Trustees, on and signed on their behalf by:

This report has been prepared having taken advantage of the small companies' exemption in the Companies Act 2006

Signed by:  
  
 9D2DF4A021C24A7...  
**M Lynas - Chair**

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATERMILL THEATRE LTD**

**OPINION**

We have audited the financial statements of Watermill Theatre Ltd (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31st March 2025 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including 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 parent charitable company's affairs as at 31st March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and 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.



**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATERMILL THEATRE LTD**

**OTHER INFORMATION**

The other information comprises the information included in the trustees' 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 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.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATERMILL THEATRE LTD**

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the parent 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITOR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 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:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATERMILL THEATRE LTD**

business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>.

This description forms part of our auditor's report.

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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 members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
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**Lee Baker FCA (Senior Statutory Auditor)**

**For and on behalf of Wenn Townsend**

**Chartered Accountants and Statutory Auditor**

**30 St Giles**

**Oxford OX1 3LE**

**12 July 2025**

**WATERMILL THEATRE LIMITED (A company limited by guarantee)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Restricted Funds 2025 £	Designated Fixed Asset Fund 2025 £	Other Designate d Funds 2025 £	Unrestricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>Income from:</b>							
Donations and Legacies (Voluntary Income)	3	102,651	-	-	787,656	<b>890,307</b>	1,210,911
Charitable Activities	7	-	-	-	2,682,366	<b>2,682,366</b>	2,268,264
Other Trading Activities (activities for generating funds)	5	-	-	-	730,372	<b>730,372</b>	574,865
Investments (investment Income)	6	-	-	-	58,807	<b>58,807</b>	40,695
<b>Total Income</b>		102,651	-	-	4,259,201	<b>4,361,852</b>	4,094,735
<b>Expenditure on:</b>							
Raising Voluntary Income	8	-	-	-	142,605	<b>142,605</b>	163,216
Fundraising Trading (Restaurant, bar and other trading)	5	-	-	-	536,205	<b>536,205</b>	458,633
Charitable Activities	9	84,072	116,634	-	3,306,169	<b>3,506,875</b>	3,326,484
<b>Total expenditure</b>		84,702	116,634	-	3,984,979	<b>4,185,685</b>	3,948,333
<b>Net income / expenditure</b>		18,579	(116,634)	-	274,222	<b>176,167</b>	146,402
Transfer between funds	21	(100,821)	(53,987)	280,000	(125,192)	-	-
Fixed asset additions			261,416		(261,416)	-	-
<b>Net movement in funds</b>		(82,242)	90,794	280,000	(112,385)	<b>176,167</b>	146,402

**WATERMILL THEATRE LIMITED (A company limited by guarantee)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	<b>Notes</b>	<b>Restricted Funds 2025 £</b>	<b>Designated Fixed Asset Fund 2025 £</b>	<b>Other Designate d Funds 2025 £</b>	<b>Unrestricted Funds 2025 £</b>	<b>Total Funds 2025 £</b>	<b>Total Funds 2024 £</b>
<b>Net movement in funds (from overleaf)</b>		(82,242)	90,794	280,000	(112,385)	<b>176,167</b>	146,402
Total funds brought forward		157,652	3,001,278	670,000	768,670	<b>4,597,600</b>	4,451,198
<b>Total funds carried forward</b>	21	<b>75,410</b>	<b>3,092,072</b>	<b>950,000</b>	<b>656,285</b>	<b>4,773,767</b>	4,597,600
Represented by:							
Tangible fixed assets		-	3,092,072	-	-	<b>3,092,072</b>	3,001,278
Current assets		75,410	-	950,000	1637,077	<b>2,662,487</b>	2,532,699
Creditors due within one year		-	-	-	(980,792)	<b>(980,792)</b>	(936,377)
		<b>75,410</b>	<b>3,092,072</b>	<b>950,000</b>	<b>656,285</b>	<b>4,773,767</b>	4,597,600


*The notes on pages 31 and 47 form part of these financial statements.*

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 978279**  
**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	16	<u>3,092,072</u>	<u>3,001,278</u>
		<b>3,092,072</b>	<b>3,001,278</b>
<b>Current assets</b>			
Stocks	18	9,658	8,166
Debtors	19	679,282	722,575
Cash at bank and in hand		<u>1,973,547</u>	<u>1,801,958</u>
		<b>2,662,487</b>	<b>2,532,699</b>
Creditors: amounts falling due within one year	20	<b>(980,792)</b>	(936,377)
<b>Net current assets</b>		<b>1,681,695</b>	<b>1,596,322</b>
<b>Total net assets</b>		<u><b>4,773,767</b></u>	<u><b>4,597,600</b></u>
<b>Charity funds</b>			
Unrestricted funds (excluding designated)		<b>656,285</b>	768,670
Designated fixed asset reserve		<b>3,092,072</b>	3,001,278
Other designated reserves		<b>950,000</b>	670,000
Restricted funds		<b>75,410</b>	157,652
<b>Total funds</b>	21	<u><b>4,773,767</b></u>	<u><b>4,597,600</b></u>

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:

Signed by:  
  
 .....9D2DF4A021C24A7...  
**M Lynas**  
 Chair

Date: 12 July 2025

The notes on pages 31 and 47 form part of these financial statements.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 978279**  
**CHARITY BALANCE SHEET AS AT 31 MARCH 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	16	<b>3,092,072</b>	3,001,278
Investments	17	<u><b>1</b></u>	<u>1</u>
		-	3,001,279
<b>Current assets</b>			
Stocks	18	<b>9,658</b>	8,166
Debtors	19	<b>679,282</b>	722,575
Cash at bank and in hand		<u><b>1,973,547</b></u>	<u>1,801,958</u>
		<b>2,662,487</b>	2,532,699
Creditors: amounts falling due within one year	20	<b>(980,793)</b>	<b>(936,377)</b>
<b>Net current assets</b>		<b>1,681,693</b>	1,596,321
<b>Total net assets</b>		<u><u><b>4,773,767</b></u></u>	<u><u>4,597,600</u></u>
<b>Charity funds</b>			
Unrestricted funds (excluding designated)		<b>656,285</b>	768,670
Designated fixed asset reserve		<b>3,092,072</b>	3,001,278
Other designated reserves		<b>950,000</b>	670,000
Restricted funds		<u><b>75,410</b></u>	<u>157,652</u>
<b>Total funds</b>	21	<u><u><b>4,773,767</b></u></u>	<u><u>4,597,600</u></u>

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:

..... Signed by:  
  
**M Lynas**  
Chair

9D2DF4A021C24A7...

Date: 12 July 2025

The notes on pages 31 and 47 form part of these financial statements.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash provided by/ (used in) operating activities	<b>24</b>	<b>374,197</b>	89,321
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		<b>58,807</b>	40,695
Purchase of tangible fixed assets		<b>(261,416)</b>	(78,273)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		<b>(202,609)</b>	(37,578)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>171,589</b>	51,743
Cash and cash equivalents at the beginning of the year		<b>1,801,958</b>	1,750,215
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>25</b>	<b>1,973,547</b>	1,801,958
		<hr/> <hr/>	<hr/> <hr/>

*The notes on pages 32 and 48 form part of these financial statements*



**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**1. Accounting policies**

**a. Basis of preparation of financial statements**

The charity is incorporated in England and Wales and 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 to 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.

Watermill Theatre Limited 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 charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity 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.

The financial statements are quoted in sterling and are rounded to the nearest £1.

**b. Company status**

The charity is a company limited by guarantee. 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.

**c. Going concern**

The Trustees have considered the impact of the economic environment on the ability of the charity to continue trading for the foreseeable future. Based on this review, the results over the last couple of years and existing financing facilities, the Trustees believe that the financial statements have been prepared appropriately on the going concern basis.

**d. Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Where income is received in advance of performance of specified services it is deferred until the charity is entitled to that fund.

Income from charitable activities represent the amounts received from the box office and from touring activities in respect of all productions performed during the period.

Donations and legacies represent the amounts receivable from grants, sponsorship and other donations.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

Grants and donations are recognised as income when entitlement is demonstrable, no conditions are attached, it is probable that the income will be received and the monetary value of the income can be measured reliably.

Income from other trading activities represents the amounts received in respect of the restaurant and bar and other related activities.

Investment income represents interest receivable on cash balances held in appropriate interest bearing deposit accounts. Interest on funds held on deposit by the charity is included when receivable.

**e. Expenditure**

All resources expended are recognised once there is a legal or constructive obligation to make a payment to a third party. All resources expended are classified under activity headings. Resources expended are accounted for on an accruals basis.

Resources expended on charitable activities represent the expenditure incurred in respect of productions performed during the period and includes both the direct costs and support costs relating to these activities. Expenditure incurred in respect of productions performed after the date of the balance sheet is deferred to future accounting periods.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Costs of raising funds represents the expenditure incurred in attracting donations and legacies and in respect of the restaurant and bar and other related activities.

Overhead costs are those costs which cannot be directly allocated to an activity of the charity, but nonetheless support these activities. These costs have been allocated between support, management and administration and fundraising, and then further apportioned to appropriate resources expended categories.

The value of services provided by volunteers is not incorporated into these financial statements.

All expenditure is inclusive of irrecoverable VAT.

**f. 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.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**g. Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**h. Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the following depreciation bases:

Freehold land	no depreciation
Freehold property	2% on cost
Building fixtures and fittings	10% on cost
Theatre equipment	20%/25% on cost and 25% reducing balance
Motor vehicles	25% reducing balance
Heating and cooling installation	6.6% on cost
Restaurant equipment	25% reducing balance

**i. Investments**

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

**j. Interest receivable**

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

**k. Operating leases**

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight-line basis over the lease term.

**l. Stocks and work in progress**

Stocks and work in progress 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.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**m. 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.

**n. Cash at bank and in hand**

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

**o. 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.

**p. 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.

**q. Government grants**

Government grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

**r. Pensions**

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

**2. Critical accounting estimates and areas of judgement**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcome could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets – are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**3. Income from donations and legacies**

	<b>Note</b>	<b>Restricted Funds 2025 £</b>	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Grants	4	-	-	-	267,561
Trusts and donations		102,651	643,644	<b>746,295</b>	784,175
Friends of The Watermill		-	50,020	<b>50,020</b>	48,167
Fundraising events		-	64,932	<b>64,932</b>	20,911
Corporate members		-	8,435	<b>8,435</b>	6,857
Sponsorship	5	-	15,279	<b>15,279</b>	16,000
Legacies		-	5,346	<b>5,346</b>	67,240
<b>Total donations and legacies</b>		<u>102,651</u>	<u>787,656</u>	<u><b>890,307</b></u>	<u>1,210,911</u>
<b>Total 2024</b>		<u>350,412</u>	<u>860,499</u>	<u><b>1,210,911</b></u>	

**4. Grants**

	<b>2025 £</b>	<b>2024 £</b>
Arts Council England – transition funding	-	267,561
<b>Total</b>	<u><b>-</b></u>	<u>267,561</u>

**5. Restaurant, bar and other income and expenditure**

	<b>2025 £</b>	<b>2024 £</b>
Income	<b>730,372</b>	574,865
Cost of sales	<b>(499,085)</b>	(429,641)
<b>Gross surplus</b>	<b>231,287</b>	145,224
Administration expense	<b>(37,120)</b>	(28,992)
<b>Net surplus</b>	<u><b>194,167</b></u>	<u>116,232</u>

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**6. Investment income**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Interest	58,807	58,807	40,695
Total 2024	40,695	40,695	

**7. Income from charitable activities**

	Unrestricted funds 2025 £	<b>Total funds 2025 £</b>	Total funds 2024 £
Theatre box office	1,933,390	<b>1,933,390</b>	1,558,795
Main productions other income	109,582	<b>109,582</b>	85,400
Touring productions	21,179	<b>21,179</b>	21,698
Youth theatre, education, and outreach	90,114	<b>90,114</b>	87,642
Other theatre projects	107,436	<b>107,436</b>	17,162
Programme receipts	29,601	<b>29,601</b>	35,730
Tax credit on theatre production costs	391,064	<b>391,064</b>	461,837
<b>Total 2025</b>	<b>2,682,366</b>	<b>2,682,366</b>	2,268,264
Total 2024	2,268,264	2,268,264	

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**8. Expenditure on voluntary income**

	Restricted funds 2025 £	Unrestricted funds 2025 £	<b>Total Funds 2025 £</b>	Total Funds 2024 £
Staff costs	-	79,343	<b>79,343</b>	67,738
Premises costs	-	14,781	<b>14,781</b>	14,068
Office costs	-	19,519	<b>19,519</b>	12,834
Fundraising and appeal costs	-	28,962	<b>28,962</b>	68,576
<b>Total 2025</b>	-	142,605	<b>142,605</b>	163,216
Total 2024	27,400	135,816	163,216	

**9. Analysis of expenditure by activities**

		<b>Activities undertaken directly 2025 £</b>	<b>Support costs 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
	<b>Note</b>				
Production costs	11	2,136,649	-	<b>2,136,649</b>	2,074,216
Management and administration	12	340,580	-	<b>340,580</b>	317,096
Support costs	13	-	1,015,827	<b>1,015,827</b>	921,077
Governance costs	14	-	13,819	<b>13,819</b>	14,095
<b>Total 2025</b>		<b>2,477,229</b>	<b>1,029,646</b>	<b>3,506,875</b>	3,326,484
Total 2024		2,391,312	935,172	3,326,484	

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**10. Production costs**

	<b>Restricted funds 2025 £</b>	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Theatre productions	-	1,712,374	<b>1,712,374</b>	1,730,015
Touring productions	-	-	-	2,369
Youth theatre, education and outreach	84,072	135,406	<b>219,478</b>	196,837
Irrecoverable VAT	-	165,690	<b>165,690</b>	121,963
Other theatre projects	-	27,416	<b>27,416</b>	5,616
Programmes	-	11,691	<b>11,691</b>	17,416
<b>Total 2025</b>	<u>84,072</u>	<u>2,052,577</u>	<u><b>2,136,649</b></u>	<u>2,074,216</u>
Total 2024	<u>185,473</u>	<u>1,888,743</u>	<u>2,074,216</u>	

**11. Management and administration**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Staff costs	235,141	<b>235,141</b>	234,129
Premises and repair costs	25,743	<b>25,743</b>	24,301
Office costs	19,519	<b>19,519</b>	12,834
Insurance	3,819	<b>3,819</b>	3,835
Other management and administration costs	30,853	<b>30,853</b>	13,924
Depreciation and loss on disposal	25,505	<b>25,505</b>	28,073
<b>Total 2025</b>	<u>340,580</u>	<u><b>340,580</b></u>	<u>317,096</u>
Total 2024	<u>317,096</u>	<u>317,096</u>	



**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**12. Support costs**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Staff costs	389,697	<b>389,697</b>	361,669
Premises and repair costs	218,811	<b>218,811</b>	206,556
Office costs	20,110	<b>20,110</b>	13,223
Insurance	30,895	<b>30,895</b>	31,216
IT related costs	66,518	<b>66,518</b>	31,019
Other support costs	145,266	<b>145,266</b>	118,316
Depreciation and loss on disposal	144,530	<b>144,530</b>	159,078
<b>Total 2025</b>	<u>1,015,827</u>	<u><b>1,015,827</b></u>	<u>921,077</u>
<b>Total 2024</b>	<u>921,077</u>	<u>921,077</u>	

**13. Governance costs**

	Unrestricted Funds 2025 £	<b>Total funds 2025 £</b>	Total funds 2024 £
Professional fees	12,251	<b>12,251</b>	12,711
Trustees' insurance	1,568	<b>1,568</b>	1,384
<b>Total 2024</b>	<u>13,819</u>	<u><b>13,819</b></u>	<u>14,095</u>

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**14. Net income/(expenditure)**

This is stated after charging:	<b>2025</b>	2024
	<b>£</b>	£
Depreciation of tangible fixed assets: -owned by the charitable group	<b>169,179</b>	163,260
Auditor's remuneration - audit	<b>11,250</b>	10,500
Operating lease rentals	<b>18,024</b>	18,119
Pension costs	<b>33,648</b>	32,492

During the year, no Trustees received remuneration for work with the Watermill (2024: one Trustee received remuneration of £690 for work with the outreach team. This fee was completely unrelated to their work as a Trustee.). No other related party transactions during the year.

During the year, no Trustees received any benefits in kind (2023: £Nil).

During the year, one Trustee received £181 for reimbursement of expenses (2023: £Nil).

**15. Staff costs**

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£</b>	£	<b>£</b>	£
Wages and salaries	<b>1,189,253</b>	1,116,897	<b>1,189,253</b>	1,116,897
Social security costs	<b>89,420</b>	86,753	<b>89,420</b>	86,753
Other pension costs	<b>33,648</b>	32,492	<b>33,648</b>	32,492
	<b>1,312,321</b>	1,236,143	<b>1,312,321</b>	1,236,143

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

	<b>Charity</b>	Charity
	<b>2025</b>	2024
	<b>No.</b>	No.
Average full-time equivalents employed	<u>35</u>	<u>37</u>

The number of employees whose emoluments as defined for taxation purposes excluding pension contribution amounted to £60,000 or more on an annualised basis was as follows:

	<b>Charity</b>	Charity
	<b>2025</b>	2024
	<b>No.</b>	No.
£60,000 - £70,000	1	1
£70,000 - £80,000	<u>1</u>	<u>1</u>

The key management personnel of the parent charity and the group comprise Trustees and the Senior Management Team. The total employee costs of the key management personnel were £411,375 (8 people) (2024: £319,543 (6 people)).

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**16. Tangible fixed assets**

**Group and Charity**

	Freehold property £	Overflow car park £	Building fixtures & fittings £	Theatre equipment £	Motor Vehicles £	Heating/ cooling equipment £	Restaurant equipment £	Total £
<b>Cost or valuation</b>								
At 31 March 2024	3,925,240	68,596	88,554	306,157	47,503	583,443	159,678	5,179,171
Additions	-	-	120,644	140,772	-	-	-	261,416
Disposals	(670)	-	(6,315)	(36,691)	(6,000)	-	(4,342)	(54,018)
At 31 March 2025	<u>3,924,570</u>	<u>68,596</u>	<u>202,883</u>	<u>410,238</u>	<u>41,503</u>	<u>583,443</u>	<u>155,336</u>	<u>5,386,569</u>
<b>Depreciation</b>								
At 31 March 2024	1,298,764	65,352	63,269	224,830	14,416	360,842	150,390	2,177,893
Charge for the year	78,347	683	10,723	30,629	8,208	38,160	2,429	169,179
On disposals	(136)	-	(6,315)	(36,092)	(5,747)	-	(4,255)	(52,545)
At 31 March 2025	<u>1,376,975</u>	<u>66,035</u>	<u>67,677</u>	<u>219,367</u>	<u>16,877</u>	<u>399,002</u>	<u>148,564</u>	<u>2,294,497</u>
<b>Net book value</b>								
<b>At 31 March 2025</b>	<u><b>2,547,595</b></u>	<u><b>2,561</b></u>	<u><b>135,206</b></u>	<u><b>190,871</b></u>	<u><b>24,626</b></u>	<u><b>184,441</b></u>	<u><b>6,772</b></u>	<u><b>3,092,072</b></u>
At 31 March 2024	<u>2,626,446</u>	<u>3,244</u>	<u>25,285</u>	<u>81,327</u>	<u>33,087</u>	<u>222,601</u>	<u>9,288</u>	<u>3,001,278</u>

Included in land and buildings is freehold land at cost of £28,000 (2024: £28,000) which is not depreciated.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**17. Fixed asset investments**

	Investments in Subsidiary Companies £
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 April 2024	1
At 31 March 2025	1

**Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company Number</b>	<b>Holding</b>	<b>Included in Consolidation</b>
Watermill Theatre Productions Limited	09280479	100%	Yes

The financial results of the subsidiary for the year were:

	<b>Income £</b>	<b>Expenditure £</b>	<b>Net assets £</b>
Watermill Theatre Productions Limited	1,627,091	1,627,091	1

**18. Stocks**

	<b>Group 2025 £</b>	Group 2024 £	<b>Charity 2025 £</b>	Charity 2024 £
Restaurant and bar	<b>9,020</b>	7,689	<b>9,020</b>	7,689
Merchandise	<b>638</b>	477	<b>638</b>	477
	<b>9,658</b>	8,166	<b>9,658</b>	8,166

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**19. Debtors**

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£</b>	£	<b>£</b>	£
Trade debtors	<b>79,486</b>	65,159	<b>79,486</b>	65,159
Amounts owed by group undertakings	<b>-</b>	-	<b>387,414</b>	456,183
Theatre tax relief	<b>387,415</b>	456,184	<b>-</b>	-
Other debtors	<b>32,717</b>	83,313	<b>32,717</b>	83,313
Prepayments and accrued income	<b>179,664</b>	117,919	<b>179,664</b>	117,919
	<b>679,282</b>	722,575	<b>679,282</b>	722,575

**20. Creditors: Amounts falling due within one year**

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£</b>	£	<b>£</b>	£
Trade creditors	<b>161,570</b>	120,886	<b>161,570</b>	120,886
Other taxation and social security	<b>34,169</b>	33,145	<b>34,169</b>	33,145
Other creditors	<b>15,435</b>	12,341	<b>15,435</b>	12,341
Accruals and deferred income	<b>769,618</b>	770,005	<b>769,618</b>	770,005
	<b>980,792</b>	936,377	<b>980,792</b>	936,377

	<b>Group</b>	Group
	<b>2025</b>	2024
	<b>£</b>	£
Deferred income at 1 April 2023	<b>716,501</b>	776,509
Resources deferred during the year	<b>(666,501)</b>	(726,559)
Amounts released from previous periods	<b>619,283</b>	666,551
	<b>669,283</b>	716,551

Deferred income represents amounts received in respect of future productions and donations and grants which the donor has specified to be used in future accounting periods.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**21. Statement of funds**

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
<b>Designated fixed asset fund</b>	3,001,278		(116,634)	207,428	3,092,072
<b>Other Designated funds</b>					
Major capital repair works	650,000	-	-	(350,000)	300,000
Capital redevelopment fund	-	-	-	500,000	500,000
Future commissions	20,000	-	-	30,000	50,000
Artistic fund	-	-	-	100,000	100,000
<b>General funds</b>	768,670	4,259,201	(3,984,979)	(386,607)	656,285
<b>Total Unrestricted funds</b>	<b>4,439,948</b>	<b>4,259,201</b>	<b>(4,101,613)</b>	<b>100,821</b>	<b>4,698,357</b>
<b>Restricted funds</b>					
Greenham Community Associate Fund	56,831	102,651	(84,072)	-	75,410
Andrew Lloyd Webber Foundation	2,101	-	-	(2,101)	-
Arts Council transition fund	98,720	-	-	(98,720)	-
	157,652	102,651	(84,072)	(100,821)	75,410
<b>Total of funds</b>	<b>4,597,600</b>	<b>4,361,852</b>	<b>(4,185,685)</b>	<b>-</b>	<b>4,773,767</b>

Note: The Arts Council Transition fund included a sum to replenish general reserves following the loss of the core Arts Council grant. The £98,720 transferred into general reserves relates to this sum.

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**21. Statement of funds (continued)**

**Statement of funds last year**

	Balance at 1 April 2023		Income	Expenditure	Transfers in/out	Balance at 31 March 2024
	£		£	£	£	£
<b>Unrestricted funds</b>						
<b>Designated fixed asset fund</b>	3,110,153	-	(163,260)			3,001,278
<b>Other Designated funds</b>						
Major capital works	650,000	-	-	-		650,000
Future commissions	-	-	-	20,000		20,000
<b>General funds</b>	651,306	3,744,323	(3,552,574)	(74,385)		768,670
<b>Total Unrestricted funds</b>	4,411,459	3,744,323	(3,715,834)	-		<b>4,439,948</b>
<b>Restricted funds</b>						
Greenham Community Associate Fund	37,638	82,853	(63,660)	-		56,831
Andrew Lloyd Webber Foundation	2,101	-	-	-		2,101
Arts Council transition fund	-	267,559	(168,839)	-		98,720
	39,739	350,412	(232,499)	-		157,652
<b>Total of funds</b>	<b>4,451,198</b>	<b>4,094,735</b>	<b>(3,948,333)</b>	-		<b>4,597,600</b>

**22. Fund details**

**Designated funds**

Designated Fixed Asset Fund – represents the value of funds tied up in the fixed assets of the charity. £91k has been transferred out of general funds into designated fixed asset fund representing the movement in fixed assets in the year (2023-24: £54k).

Other Designated funds – the trustees have set aside funds the following:

- Major capital works – £300,000 – a designated fund for unplanned, but significant issues relating to the maintenance and development of the Grade 2 listed theatre, its offices, rehearsal rooms, restaurant and accommodation for actors and creative team. (2023-24: £650k for fund combined capital repair works and capital redevelopment fund)
- Capital redevelopment fund – £500,000 – a designated fund to enable a fuller programme of capital development to make improvements to the accessibility, environmental sustainability, and financial resilience of the organisation. The Watermill are currently developing this plan and have already got outline pre-planning advice from the council
- Future commissions – £50,000 – a designated fund to allow the Charity to invest in future works that might not end up being a full production (2023-24: £20k). This fund is reviewed each year as part of the budget process

**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

- Artistic fund – £100,000 – a designated fund to allow investment in shows for exploitation where commercial producer backing is not available (2023-24: £nil) This fund is reviewed each year as part of the budget process

**Restricted funds**

Greenham Community Associate – this comprises the grant from Greenham Trust which funds the community associate programme, enabling access provision across the whole programme. The programme is funded for a three year cycle

Arts Council Transition Funding – funding received following the removal of core grant from Arts Council, England. The funding included £99k for replenishment of reserves and was transferred into general reserves during the year

**23. Summary of funds**

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers In/out £	Balance at 31 March 2025 £
General funds	768,670	4,259,201	(3,984,979)	(386,607)	656,285
Designated fixed asset fund	3,001,278	-	(116,634)	207,428	3,092,072
Other designated funds	670,000	-	-	280,000	950,000
Restricted funds	157,652	102,651	(84,072)	(100,821)	75,410
	<b>4,597,600</b>	<b>4,361,852</b>	<b>(4,185,685)</b>	<b>-</b>	<b>4,773,767</b>

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

	Group 2025 £	Group 2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	176,167	146,402
Adjustments for:		
Depreciation charges	169,179	163,260
Dividends, Interests and rents from investments	(58,807)	(40,695)
Loss on the sale of fixed assets	1,442	23,888
Decrease/(increase) in stocks	(1,492)	646
Decrease/(increase) in debtors	43,293	(122,242)
Increase/(decrease) in creditors	44,415	(81,938)



**WATERMILL THEATRE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

	198,030	(57,081)
Net cash provided by/ (used in) operating activities	374,197	89,321

**25. Analysis of cash and cash equivalents**

	<b>Group 2025 £</b>	Group 2024 £
Cash in hand	1,973,547	1,801,958
<b>Total cash and cash equivalents</b>	<b>1,973,547</b>	<b>1,801,958</b>

**Analysis of changes in net debt**

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,801,958	171,589	1,973,547
<b>Total changes in net debt</b>	<b>1,801,958</b>	<b>171,589</b>	<b>1,973,547</b>

**26. Operating lease commitments**

At 31 March 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2025 £</b>	Group 2024 £	<b>Charity 2025 £</b>	Charity 2024 £
Not later than 1 year	<b>630</b>	695	<b>630</b>	695
Later than 1 year and not later than 5 years	<b>59,733</b>	67,051	<b>59,733</b>	67,051
	<b>60,363</b>	67,746	<b>60,363</b>	67,746