

REGISTERED COMPANY NUMBER: 02233315 (England and Wales)
REGISTERED CHARITY NUMBER: 701310

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

FOR

WORCESTER THEATRES CHARITABLE TRUST LIMITED
(FORMERLY WORCESTER LIVE CHARITABLE TRUST LIMITED)
CHARITABLE COMPANY LIMITED BY GUARANTEE

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

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FOR THE YEAR ENDED 31ST AUGUST 2023

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WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST AUGUST 2023

DIRECTORS AND TRUSTEES: Dean Elliott (appointed 21st October 2022)
Lord Richard Faulkner of Worcester
Chris Glover (appointed 6th January 2023)
Josephine Hodges
Roger Knight (appointed 6th January 2023)
John Murfin

CHIEF EXECUTIVE OFFICER: Sarah-Jane Morgan

REGISTERED OFFICE: Huntingdon Hall
Crowngate
Worcester
WR1 3LD

REGISTERED COMPANY NUMBER: 02233315

REGISTERED CHARITY NUMBER: 701310

AUDITORS: Richards Sandy Audit Services Limited
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023

The directors, who are also trustees of the charity, present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31st August 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

GOVERNING DOCUMENT

The charity is a company limited by guarantee which is governed by its Memorandum and Articles of Association, which were adopted on 21 March 1988. The Memorandum of Association was revised on 31 August 2004. The charity is registered with the Charity Commission. The charity registration number is 701310 and the limited company number is 02233315.

REGISTERED OFFICE

The registered office of the charitable company is:

Huntingdon Hall
Crowngate
Worcester
WR1 3LD

PRINCIPAL OFFICES

The principal offices of the charitable company are:

Huntingdon Hall
Crowngate
Worcester
WR1 3LD

The Swan Theatre
The Moors
Worcester
WR1 3ED

TRUSTEES (WHO ARE ALSO DIRECTORS)

The trustees, who are also directors, who held office during the year under review and up to the date of signature of these financial statements were:

Dean Elliott	(appointed 21st October 2022)
Lord Richard Faulkner of Worcester	
Chris Glover	(appointed 6th January 2023)
Josephine Hodges	
Roger Knight	(appointed 6th January 2023)
John Murfin	

CO-OPTED EX-OFFICIO MEMBERS

J Vale	(Chairman, Friends of the Swan Theatre)
L Hodgson	(Worcester City Council appointee)
D Broster	(Heads of the School of Arts, Worcester University appointee)
R Walker MP	(Member of Parliament for Worcester)

LIMITED BY GUARANTEE

The charitable company is limited by guarantee and does not have an issued share capital. Each member is liable to contribute £1 each to the Charity's assets if it should ever be wound up.

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

QUALIFYING THIRD PARTY INDEMNITY

The charitable company's articles of association includes provision that, subject to the provisions of Companies Act 2006, the trustees to be indemnified out of the assets of the charitable company against claims made against them in regard to losses due to improper investments, fraud or negligence.

APPOINTMENT OF TRUSTEES

The trustees are appointed by the members in the annual general meeting. New trustees are appointed by the existing board of trustees, taking into account the way in which their skills will supplement and enhance those already available to the Board. New trustees are inducted by a series of meetings with the Chairman and senior staff of the charitable company.

CHIEF EXECUTIVE OFFICER

The trustees have delegated day to day management of the charitable company to the Chief Executive Officer who is supported by a management team. The Trustees receive appropriate training at trustees' meetings, as is deemed appropriate.

The Chief Executive Officer is Sarah-Jane Morgan.

The pay and remuneration of the Chief Executive Officer is agreed by the Chairman and Company Secretary having taken into consideration the figures for comparable theatres in this area.

PRINCIPAL ADVISERS

The company's auditors are:	Richards Sandy Audit Services Limited Thorneloe House 25 Barbourne Road Worcester WR1 1RU
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The company's solicitors are:	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
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The company's bankers are:	Royal Bank of Scotland Plc 5-9 St Nicholas Street Worcester WR1 1UR
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ORGANISATION

Strategic decisions and the monitoring of performance against pre-determined criteria are carried out by the trustees at periodic meetings and by individual trustees with specific duties. The day-to-day management to achieve the strategic objectives is delegated to the Chief Executive Officer, who is supported by a management team.

SUBSIDIARY COMPANY

The parent company has one wholly owned subsidiary, Arts Enterprises Worcester Limited. This company operates a bar at both at the Swan Theatre and at Huntingdon Hall and also sells merchandise. All of the subsidiary's profits are is gift aided to this charitable company.

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

RISK ASSESSMENT

The charitable company regularly reviews the risks to which it is exposed and takes such action as it is possible to mitigate those risks.

The principal risks and uncertainties of the charitable company are:

- **compliance with laws and regulations relating to running a theatre and concert hall**
The trustees have put in place suitable policies in place for staff and volunteers to follow to ensure compliance with relevant laws and regulations. Premises licences are held for both the Swan Theatre and Huntingdon Hall and the charitable company is registered on the Information Commissioner's Office' data protection register. The chief executive officer other key staff has sufficient experience and training in their respective fields as to be able to monitor day-to-day compliance with laws and regulations.
- **securing funding to cover expenditure**
The trustees regularly review management accounts of the monthly financial performance of the charitable company against budgets and make decisions to reduce planned future expenditure where necessary. The trustees make applications to various grant making institutions to secure additional funding to cover any forecast shortfalls.

OBJECTIVES AND ACTIVITIES

AIMS AND OBJECTIVES

The principal objects of the company for the year under review are:

- to advance the education of the general public in artistic, cultural and musical matters by promoting the performing arts, theatrical productions and artistic excellence and providing and operating a theatre and concert hall; and
- to preserve for the benefit of the townspeople of Worcester city in the county of Worcestershire and of the nation at large, the Countess of Huntingdon Hall and its ancillary buildings as a feature of historical architectural or cultural interest.

The trustees confirm that they have complied with the duty in section 17 (5) of the 2011 Charities Act to have due regard to guidance on public benefit, when reviewing the charitable company's aims and objectives and in planning future activities.

ACHIEVEMENTS AND PERFORMANCE

Worcester Theatres Charitable Trust Limited continues to successfully run the Swan Theatre, a 350-seat proscenium arch traditional theatre space on the edge of the city and Huntingdon Hall, a 330-seat converted Methodist Chapel, right in the heart of the city. We are the only venue-based arts provider in Worcester offering both a professional cultural provision for the city and a performance home to many local community arts groups. Providing a wide range of entertainment at the venues, from folk, popular music, jazz, world music, spoken word, classic & modern theatre, popular music, tribute bands, traditional/contemporary dance, and children's theatre. Worcester Theatres also produce our own productions, via the Worcester Repertory Company, we are the only venue-based organisation in Worcestershire to do this and we are proud of our ability to produce high standard professional productions for the city of Worcester and the wider county. These are performed both at our venues and at other venues/locations in the city.

We are consistently supported with funding from Worcester City Council who value the impact we make upon the city in terms of our cultural provision. The company continues to be supported by an excellent Board of Directors with wide ranging and dynamic skills who complement and support the Chief Executive in the operation of the Charity. The organisation is delighted to employ a lean but highly skilled, motivated, and passionate staff, who are driven and determined to ensure the company succeeds at every level and are backed by a volunteer force of 150, who champion Worcester Theatres and our venues, whilst providing stewarding and staffing for the venues bars.

Swan Theatre

The Swan Theatre's programme has continued to develop and evolve post pandemic, with a focus on genres such as theatre, talks, tribute artists, family theatre, film and dance. Audiences have supported equally across the genres and engaged with our programme, despite the cost-of-living crisis, as we undertake audience development for the venue. The programming at the Swan Theatre also offers opportunities for a wider and more diverse sector of our community to engage with the arts and Worcester Theatres has seen excellent engagement, through project work at the venue, with minority groups and artists in the city and the wider county. Worcester Theatres also continues to provide a space for emerging-artists and supports talent development to ensure the retention of both artistic and trained talent for the city.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

ACHIEVEMENTS AND PERFORMANCE (Continued)

Swan Theatre

The Swan Theatre's programme has continued to develop and evolve post pandemic, with a focus on genres such as theatre, talks, tribute artists, family theatre, film and dance. Audiences have supported equally across the genres and engaged with our programme, despite the cost-of-living crisis, as we undertake audience development for the venue. The programming at the Swan Theatre also offers opportunities for a wider and more diverse sector of our community to engage with the arts and Worcester Theatres has seen excellent engagement, through project work at the venue, with minority groups and artists in the city and the wider county. Worcester Theatres also continues to provide a space for emerging-artists and supports talent development to ensure the retention of both artistic and trained talent for the city.

The Swan Theatre remains a popular venue for our community user groups and we continue to have regular annual and bi-annual amateur hire groups who value using the Swan Theatre to enable them to fulfil their hobbies, engaging with the arts within a professional theatre environment. We continue to offer the main stage and associated smaller rooms at the venue for hire to community groups and small business owners, all of which contributes to our income across the year.

Worcester Repertory Company

Worcester Theatres are unique in the Worcestershire cultural landscape, as we are the only producing theatre venue. We are proud to make homegrown theatre via the Worcester Repertory Company (Worcester Rep), performing at our own venues, and venues across the city and beyond through our touring productions. We aim to cast as many professional West Midlands actors within our productions as possible and continue to retain local talent by working with local creatives and producing various artist development programmes. We continue to grow our creative partnerships to help nurture the performing arts during a time when funding streams are being withdrawn.

We are fortunate to have Imelda Staunton as the Patron of the Worcester Rep and Rufus Norris as Patron of the Swan Youth Theatre, both of whom have meaningful connections to the Rep & Swan Theatre. As we cherish the history of the building and of the Worcester Rep, we continue to rebuild its position within the city. The Worcester Repertory Company falls under Worcester Theatres management and shares the same staffing team. We also invite experienced and respected guest directors throughout the season, whilst still providing opportunity for local emerging directing talent.

This year/season the Worcester Rep produced, Antigone, Cinderella, Ice Queen, Samphire, Bouncers and The Importance of Being Earnest and welcomed total audiences of 22,182 across the Swan Theatre, Huntingdon Hall and the Worcester Commandery just for our repertory work.

Outreach & Participation at the Swan Theatre

The Swan Theatre youth theatre has continued to thrive in the past 12 months, and we now see members reaching over 120, each of whom are learning new drama and performance skills, devising their own theatre, working on a range of dramatic scripts, and embedding lifelong skills such as public speaking, performance confidence, communication, building self-assurance and developing meaningful friendships outside of the classroom.

During the past year, and as a direct result of the cost-of-living crisis we have seen a 54% increase in the demand for bursaries for our youth theatre. This increase, although a liability on our own funds, is fundamental to our ethos to ensure that there are no financial barriers to restrict engagement for families and young people. Worcester Theatres offer unlimited bursary places for a range of financial aid reasons, these are funded directly from Worcester Theatres funds, or via funding that we raise.

Young Rep Company

The Young Rep has become a valued part of our work and we have continued to provide opportunities for 16–24-year-olds to work in a professional theatre environment. This year the Young Rep have staged Samphire (as part of the NT Connections Festival), The Unknown (a piece of commissioned new writing from an emerging young playwright) as part of the Worcester Fringe festival, and Romeo and Juliet as part of our collaborative community production. We offer unlimited bursary places for the Young Rep and have seen a 50% increase in the take up for financial support this year, reflecting the challenging financial times that local families are facing. The Young Rep provides a nurturing and welcoming environment, and awards places based on talent (via auditions) supporting young people to reach their full potential. We see a high proportion of our intake either studying performance at a higher education level, pursuing places at drama schools, or working in the industry during or post their time with us, and some members have become paid professional actors in our Worcester Repertory Company.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

ACHIEVEMENTS AND PERFORMANCE (Continued)

Worcester Fringe

The Worcester Fringe grew significantly for us this period seeing increased engagement and providing an opportunity for artistic expression, playful programming, and a testbed for artists to showcase their talents and work in progress. Hosting emerging artists, theatre makers, comedians, and musicians from across Worcestershire.

Saucy

Our LGBTQ+ queer performance project for marginalised groups in the city and across the wider county, offers commissions and performance opportunities for local queer artists and a safe space for performers and audiences wishing to engage with queer theatre. We continue to source annual funds through grants from trusts & foundations, the Arts Council etc. to ensure we can continue to create opportunities for this community and support the ongoing development of this area of our work.

Youth Advisor Board & Future Arts Leaders Programme

This year we have brought together young people from the local community and given them the opportunity to make their mark on the artistic programme of WT & the wider landscape of Worcestershire. By working with our participants, we hope to give a voice to the young people within our organisation, become more responsive to their needs and reflective of their desires within our programming.

Huntingdon Hall

Huntingdon Hall remains a vital venue for the city. It is a venue which is well loved by all of the artists who perform here and for our patrons, many of whom are regular attendees to the venue. The Hall primarily supports our comedy, live original music, spoken word and tribute artists genres, although we do also see occasional theatre performances within the space. Much like the Swan Theatre, we have seen a solid response to programming over the year, with patrons enjoying the opportunities to engage with the arts at our venue. We have, however not been frivolous in our approach to programming, ensuring our organisation remains sustainable, often programming safely meaning we can ensure, solid support across the genres and in return the charities resources are well managed. In the last 12 months we have seen an increase in the professional hirers/artists wishing to use the venue. We are pleased to offer Huntingdon Hall on a hire basis as this provides a guaranteed income for Worcester Theatres.

The venue continues to be hired by Worcester Concert Club for Sunday matinee classical concerts and to the Heart of Worcestershire College to enable music students to experience performing in a professional venue.

Summary

The Charity, like all other businesses, has been challenged by the instability of the cost-of-living crisis during this period which has directly impacted our operation. Inflated utility bills, rising insurance costs and enlarged operational overheads have added to the pressures of running a small arts organisation. However, despite these additional challenges that we are aware that our patrons will have also been facing, Worcester Theatres has seen no decline in patron engagement, in fact we have seen a significant growth as customers reached for the arts for distraction and relief. This committed support has enabled us to continue with our ambitions to develop our commercial and artistic programming strands, rejuvenating our offer for our audiences.

Our refreshed programme of events at the Swan Theatre and Huntingdon Hall, is reaching a demographically younger and more diverse audience than ever before, supporting our continued efforts to deliver a varied and expanding programme for the city and wider county.

FUNDRAISING ACTIVITIES

The charitable company makes appeals to both the general public for donations and to charitable trusts for grants. These activities include automated requests for donations from persons using the online ticket booking system, advertised benefits for persons signing up to one of the charitable company's various patrons schemes and the placing of donation boxes within the venues operated by the charitable company. The charitable company does not use either a professional fund-raiser nor a commercial participator. The charitable company is not bound by any voluntary standard or scheme for regulating fundraising activities. The charitable company has not received any complaints within the year relating to how it undertakes fundraising activities. The trustees do not believe that these activities are likely to cause neither vulnerable people and other members of the public to be at risk of suffering unreasonable intrusion on a person's privacy, unreasonably persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charitable company or placing undue pressure on a person to give money or other property.

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

FINANCIAL REVIEW

Incoming resources was £1,748,356 compared to £1,751,593 last year. The unrestricted fund net surplus for the year was £73,950 (2022 - unrestricted fund net surplus of £144,529).

At the year end the charity held free reserves (defined as the unrestricted reserves less unrestricted reserves held within fixed assets (see note 18)) of £562,528 (2022 - £473,885).

At the year end the charity held restricted funds of £150,992 (2022 - £94,775). Many of these relate to funds held to finance significant building improvement and renovation work.

RESERVES POLICY

The charity's reserves policy ensures that the charity hold an appropriate level of financial reserves to protect the Charitable Trust and its employees against any future uncertainties. Should for whatever reason the charity be unable to continue trading, the minimum level of reserves needed to cover closure costs has been estimated to be £235,000, including provision for the following estimated costs:

- Reserves to meet all staff redundancy costs and notice pay in the event of a closure;
- Overheads for six months;
- Staff wages to assist with the managed closure; and
- Liquidator fees.

Total reserves at the year end were £719,503 (2022 - £578,562), including total restricted funds of £150,992 (2022 - £94,775). At the year end tangible fixed assets held had net book value of £30,942 (2022 - £43,972), including assets with book value of £24,959 (2020 - £34,070) that relate to restricted funds.

Unrestricted General Fund excluding fixed assets amounted to a surplus of £562,528 (2022 - £473,885), which is in excess of the level required by the reserves policy. This is partly due to the charity deferring some decisions regarding expenditure during the period when it was uncertain if the Scala Theatre project would go ahead in accordance with the original proposal, as this also impacted on whether the charity would remain using the Swan Theatre as a performance venue. It has now been confirmed that Worcester Theatres will remain at the Swan Theatre and will not be relocated to the Scala Theatre.

The trustees have a number of projects that are in the early planning stages but are yet to confirm how best to allocate their current surplus of funding, these include a number of ongoing capital investments and building improvements. These may include adding to the campaign to refurbish the sanitary facilities at both venues improving the facilities that we are providing for our audiences and/or investing into improved accessible facilities at the Swan Theatre, so that everyone can access the arts in a meaningful way.

INVESTMENT POLICY

The investment policy is to invest surplus funds in interest bearing accounts with immediate access. The charitable company has insufficient funds to invest on longer term basis.

The charitable company holds a wholly owned trading subsidiary held for the purpose of generating income for use by the charitable company.

PLANS FOR THE FUTURE

The Charity continues to strengthen its position following both the pandemic and cost of living crisis and whilst patrons remain supportive of the current programme and organisational developments Worcester Theatres are cautious of the current economic climate in which the country and arts are currently positioned. As the management and board remain ambitious to continue to broaden and diversify our programme the charity continue to do this in a sensible manner, ensuring a equilibrium between the programming is found to ensure viability and artistic balance. Worcester Theatres continue to programme productions, shows and community hires for both the Swan Theatre and Huntingdon Hall for the 2024/2025 & 2006 seasons with a strategic and considered approach to audience development and artistic development.

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

PLANS FOR THE FUTURE (Continued)

The charity will continue to expand our work for young people, minority groups and emerging artist located within the city of Worcester, ensuring our already successful programmes such as Saucy and Platform WR1 continue to receive funding to ensure their success. The development of opportunities for adults and young people to engage with the arts through outreach and participation such as workshops and courses and termtime/holiday activities will continue as well as more developed project developments to expand our areas of creative engagement and offer more ways for the community of Worcester to engage with culture. We remain ambitious to develop our engagement with schools, continue to offer low cost, free and bursary funded opportunities within our youth theatre and Young Rep and continue to provide free access to the arts through Culture Café and the Worcester Fringe.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Worcester Theatres Charitable Trust Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the Board of Trustees on 9 May 2024 and signed on its behalf by:


.....
John Murfin - Director

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WORCESTER THEATRES CHARITABLE TRUST LIMITED
FOR THE YEAR ENDED 31ST AUGUST 2023**

Opinion

We have audited the financial statements of Worcester Theatres Charitable Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st August 2023 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31st August 2023 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the 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 the provisions available for small entities, in the circumstances set out in note 20 to the financial statements, 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WORCESTER THEATRES CHARITABLE TRUST LIMITED
FOR THE YEAR ENDED 31ST AUGUST 2023**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we have:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group operates in and how the group is complying with the legal and regulatory framework; and
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011 (and related legislation), as well as laws and regulations relating to the employment and payment of staff including, but not limited to, the Employment Rights Act 1996, the National Minimum Wage Act 1998 and the Pensions Act 2008.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures and sample testing of monthly payroll records for the calculation of gross wages, payroll taxes and pension costs.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WORCESTER THEATRES CHARITABLE TRUST LIMITED
FOR THE YEAR ENDED 31ST AUGUST 2023**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit. This description forms part of our Report of the Independent Auditors.

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. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Melissa Jean Godwin ACA ACCA (Senior Statutory Auditor)
For and on behalf of Richards Sandy Audit Services Limited (Statutory Auditors)
Chartered Certified Accountants
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Date: 17/5/24....

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2023

	Notes	Unrestricted Fund £	Restricted Fund £	Total 2023 £	Total 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies		120,661	124,870	245,531	439,125
Charitable activities		1,148,102	-	1,148,102	1,057,061
Other trading activities		348,303	-	348,303	255,128
Investments		6,420	-	6,420	279
TOTAL INCOME AND ENDOWMENTS	15	1,623,486	124,870	1,748,356	1,751,593
EXPENDITURE ON:					
Raising funds		98,442	-	98,442	86,697
Charitable activities		1,451,094	57,879	1,508,973	1,508,776
TOTAL EXPENDITURE	16	1,549,536	57,879	1,607,415	1,595,473
NET INCOME / (EXPENDITURE)		73,950	66,991	140,941	156,120
TRANSFERS BETWEEN FUNDS		10,774	(10,774)	-	-
NET MOVEMENT IN FUNDS		84,724	56,217	140,941	156,120
TOTAL FUNDS BROUGHT FORWARD		483,787	94,775	578,562	422,442
TOTAL FUNDS CARRIED FORWARD		568,511	150,992	719,503	578,562

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE INDIVIDUAL CHARITY

As permitted by section 408 of the Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes. The charitable company's net surplus for the year was £140,941 (2022 - net surplus of £150,740).

WORCESTER THEATRES CHARITABLE TRUST LIMITED (REGISTERED NUMBER: 02233315)
CHARITABLE COMPANY LIMITED BY GUARANTEE

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31ST AUGUST 2023

	Note	Group 2023 £	Group 2022 £	Parent 2023 £	Parent 2022 £
FIXED ASSETS					
Tangible fixed assets	7	30,942	43,972	30,942	43,972
Investments	8	-	-	2	2
		<u>30,942</u>	<u>43,972</u>	<u>30,944</u>	<u>43,974</u>
CURRENT ASSETS					
Stocks	9	9,421	7,205	-	-
Debtors	10	30,178	25,618	407,299	261,898
Cash at bank and in hand		<u>1,150,950</u>	<u>888,197</u>	<u>776,322</u>	<u>651,212</u>
		<u>1,190,549</u>	<u>921,020</u>	<u>1,183,621</u>	<u>913,110</u>
LIABILITIES					
Amounts falling due within one year	11	(501,988)	(386,430)	(495,062)	(378,522)
NET CURRENT ASSETS		<u>688,561</u>	<u>534,590</u>	<u>688,559</u>	<u>534,588</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>719,503</u>	<u>578,562</u>	<u>719,503</u>	<u>578,562</u>
The funds of the charitable company:					
Unrestricted Funds		568,511	483,787	568,511	483,787
Restricted Funds	17	150,992	94,775	150,992	94,775
		<u>719,503</u>	<u>578,562</u>	<u>719,503</u>	<u>578,562</u>

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

The financial statements were approved by the Board of Trustees on 9 May 2024 and were signed by on its behalf by:


 John Murfin - Director

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2023

	Notes to the cash flow statement	Group 2023 £	Group 2022 £	Parent 2023 £	Parent 2022 £
Cash flows from operating activities:					
Cash generated from operations	1	256,333	437,256	118,690	320,111
Net cash provided by operating activities		256,333	437,256	118,690	320,111
Cash flows from investing activities:					
Interest received		6,420	279	6,420	279
Net cash used in investing activities		6,420	279	6,420	279
Change in cash and cash equivalents in the reporting period		262,753	437,535	125,110	320,390
Cash and cash equivalents at the beginning of the reporting period		888,197	450,662	651,212	330,822
Cash and cash equivalents at the end of the reporting period		1,150,950	888,197	776,322	651,212

NOTES TO THE CASH FLOW STATEMENT

1 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £	Parent 2023 £	Parent 2022 £
Net expenditure for the reporting period (as per the statement of financial activities)	140,941	156,120	140,941	150,740
Adjustments for:				
Depreciation charges	13,030	40,852	13,030	40,852
Interest received	(6,420)	(279)	(6,420)	(279)
Distribution of profits receivable from the subsidiary	-	-	(111,995)	(66,675)
(Increase)/decrease in stocks	(2,216)	(186)	-	-
(Increase)/decrease in debtors	(4,560)	154,549	(33,406)	114,156
Increase/(decrease) in creditors	115,558	86,200	116,540	81,317
Net cash provided by operating activities	256,333	437,256	118,690	320,111

Material non-cash transactions

In the parent charity's individual cash flow statement, distribution of profits receivable from the subsidiary of £111,995 (2022 - £66,675) was unpaid at the year end and has been accounted for as a material non-cash transaction.

2 ANALYSIS OF CHANGES IN NET DEBT

	At the start of the year £	Cash flows in the year £	At the end of the year £
Group			
Cash at bank and in hand	888,197	262,753	1,150,950
	888,197	262,753	1,150,950
Parent			
Cash at bank and in hand	651,212	125,110	776,322
	651,212	125,110	776,322

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023

1 ACCOUNTING POLICIES

General information

The Trust is a charitable company limited by guarantee registered in England and Wales and has no share capital. In the event of the charitable company being wound up, the liability in respect of guarantee is limited to £1 per member of the charitable company.

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention unless otherwise stated.

The accounts are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Group financial statements

These consolidated financial statements incorporate the accounts of Worcester Theatres Charitable Trust Limited and its wholly owned subsidiary Arts Enterprises Worcester Limited on a line by line basis. Both Worcester Theatres Charitable Trust Limited and Arts Enterprises Worcester Limited prepare their individual company financial statements adopting accounting policies not considered different from those of these consolidated financial statements and prepared to a year end of 31st August 2023. All intra-group transactions and balances are eliminated on consolidation.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charitable company is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charitable company will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charitable company and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with Charities SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Legacies are recognised when probate is granted and there is sufficient information to measure them. Where there is insufficient information to reliably measure any outstanding legacies, these are instead treated as contingent assets (and details of any such legacies will be disclosed in the notes to these financial statements).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charitable company. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Fundraising and trading income received during the period, but which relates to services provided during the next period are treated as being deferred income and has been included in creditors as receipts in advance.

Investment income is included in the statement of financial activities on a receivable basis.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

1 ACCOUNTING POLICIES (Continued)

Donated services

The charitable company benefits from the use of both the Swan Theatre and Huntington Hall effectively on a rent free basis. Due to the unique nature of these two buildings, it is considered impractical to estimate a reasonable value of the donated services provided to the charitable company in regard to these arrangements and no income not expenditure in regard to these arrangements have been included in the statement of financial activities.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds;
- Expenditure on charitable activities; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Operating leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Pensions

The parent company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Taxation and deferred taxation

The charitable company is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Assets costing up to £3,000 are written off to revenue.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

- | | |
|------------------------------------|---------------|
| - Fixtures, fittings and equipment | : 20% on cost |
| - Motor Vehicles | : 33% on cost |
| - Swan Theatre | : 10% on cost |

Impairment reviews are carried out annually.

Investments

In the parent charitable company's individual financial statements, the investment in the subsidiary is measured at cost less any accumulated impairment losses.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash at bank

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

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

1 ACCOUNTING POLICIES (Continued)

Financial instruments

The charitable company has elected to apply the provisions of Section 11' Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charitable company becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The cost 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.

Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Significant judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant judgement that has had the most significant effect on the amounts recognised in the financial statements are the setting of depreciation policies for tangible fixed assets (which are stated in the accounting policies). The net book value and movements in the year of tangible fixed assets are disclosed in note 7 of the financial statements.

Significant judgement has also been applied in asserting that it is considered impractical to estimate a reasonably reliable value of the effectively rent free use of the Swan Theatre and Huntington Hall (see note 13). If a reasonably reliable estimate had been determined, then this amount would be recognised in both income (within donations and legacies) and expenditure (within charitable activities support costs).

There are not considered to be any key estimates or assumptions which give rise to significant risk of causing material adjustments to the carrying value of assets or liabilities.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

2 OPERATING SURPLUS

	Group 2023 £	Group 2022 £	Parent 2023 £	Parent 2022 £
The operating surplus is stated after charging:				
Operating leases	13,368	33,451	13,368	33,451
Depreciation	13,030	40,852	13,030	40,852
Auditor's remuneration				
Audit of the charity's accounts	13,200	12,000	13,200	12,000
Other assurance services	-	2,520	-	2,520
Other services	5,784	4,712	3,838	2,582
	18,984	19,232	17,038	17,102

Auditor's remuneration is stated inclusive of irrecoverable input VAT.

3 STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES

	Group 2023 £	Group 2022 £	Parent 2023 £	Parent 2022 £
Gross salaries	402,185	374,729	402,185	374,729
Employer's N.I.	27,674	24,668	27,674	24,668
Pension costs	9,760	8,797	9,760	8,797
	439,619	408,194	439,619	408,194
Total average employees	24	25	24	25

No employees had emoluments (excluding employer's N.I. and pension costs) in excess of £60,000, in either the current or previous financial years.

The trustees were not paid nor received any other benefits from employment with the Trust or its subsidiary, neither were they reimbursed expenses during either the current or comparative years.

Total remuneration (including employer's N.I. and pension costs) paid to key management personnel was £54,443 (2022 - £52,100) during the year.

The charitable company contributes to occupational and individual pension schemes which are defined contribution pension schemes and the amounts charged to the income and expenditure accounts for the year are as stated above.

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	Group 2023 £	Group 2022 £	Parent 2023 £	Parent 2022 £
Bank interest received	6,420	279	6,420	279

5 TAXATION

The parent charitable company is a registered charity and not liable to corporation tax. The subsidiary company did not have a taxable profit.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

6 COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Fund £	Restricted Fund £	Total 2022 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	297,139	139,386	436,525
Charitable activities	1,059,661	-	1,059,661
Other trading activities	255,128	-	255,128
Investments	279	-	279
TOTAL INCOME AND ENDOWMENTS	1,612,207	139,386	1,751,593
EXPENDITURE ON:			
Raising funds	86,697	-	86,697
Charitable activities	1,380,981	127,795	1,508,776
TOTAL EXPENDITURE	1,467,678	127,795	1,595,473
NET INCOME (EXPENDITURE)	144,529	11,591	156,120
TRANSFERS BETWEEN FUNDS	11,405	(11,405)	-
NET MOVEMENT IN FUNDS	155,934	186	156,120
TOTAL FUNDS BROUGHT FORWARD	327,853	94,589	422,442
TOTAL FUNDS CARRIED FORWARD	483,787	94,775	578,562

7 TANGIBLE FIXED ASSETS

	Swan Theatre & Huntingdon Hall Improvements £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Group Total £	Parent Total £
COST					
At 1 September 2022	284,425	86,830	24,282	395,537	395,537
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 August 2023	284,425	86,830	24,282	395,537	395,537
DEPRECIATION:					
At 1 September 2022	261,058	66,225	24,282	351,565	351,565
Charge for the year	4,894	8,136	-	13,030	13,030
Eliminated on disposal	-	-	-	-	-
At 31 August 2023	265,952	74,361	24,282	364,595	364,595
NET BOOK VALUE:					
At 31 August 2023	18,473	12,469	-	30,942	30,942
At 31 August 2022	23,367	20,605	-	43,972	43,972

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

8 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 September 2022 and 31 August 2023	<u>2</u>
NET BOOK VALUE:	
At 31 August 2023	<u>2</u>
At 31 August 2022	<u>2</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Arts Enterprises Worcester Limited

Registered company number: 02827118

Registered office: Huntingdon Hall, Crowngate, Worcester, Worcestershire, WR1 3LD

Nature of business: running of a bar, sale of merchandise and the licencing of a restaurant.

Worcester Theatres Charitable Trust Limited owns the whole of the issued share capital in a trading company, Arts Enterprises Worcester Limited. This consists of two ordinary shares of £1 each.

The financial results of Arts Enterprises Worcester Limited for the year were as follows:

	<u>2023</u> £	<u>2022</u> £
Turnover	216,936	163,950
Expenditure	(104,941)	(91,895)
(Loss) / profit for the year	111,995	72,055
Gift aid distribution to Worcester Theatres Charitable Trust Limited	(111,995)	(66,675)
Retained earnings for the year	<u>-</u>	<u>5,380</u>
Aggregate capital and reserves	<u>2</u>	<u>2</u>

9 STOCK

	Group <u>2023</u> £	Group <u>2022</u> £	Parent <u>2023</u> £	Parent <u>2022</u> £
Goods held for resale	<u>9,421</u>	7,205	-	-
	<u>9,421</u>	<u>7,205</u>	<u>-</u>	<u>-</u>

10 DEBTORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	Group <u>2023</u> £	Group <u>2022</u> £	Parent <u>2023</u> £	Parent <u>2022</u> £
Trade debtors	10,886	10,589	10,886	10,589
Amounts due from Arts Enterprises Worcester Ltd	-	-	377,869	236,675
Other debtors	1,582	-	1,582	-
Prepayments and accrued income	17,710	15,029	16,962	14,634
	<u>30,178</u>	<u>25,618</u>	<u>407,299</u>	<u>261,898</u>

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

11 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	Group 2023	Group 2022	Parent 2023	Parent 2022
	£	£	£	£
Trade creditors	66,965	78,624	66,409	74,638
Payments received on account	365,092	227,381	365,092	227,381
Social security and other taxes	12,639	9,896	8,269	7,974
Other creditors	2,228	1,904	2,228	1,904
Accruals	55,064	68,625	53,064	66,625
	501,988	386,430	495,062	378,522

Payments received on account

	Group 2023	Group 2022	Parent 2023	Parent 2022
	£	£	£	£
Balance at 1 September 2022	227,381	219,393	227,381	219,393
Opening creditor released to revenue	(227,381)	(219,393)	(227,381)	(219,393)
Received during the current year relating to future years	365,092	227,381	365,092	227,381
Balance at 31 August 2023	365,092	227,381	365,092	227,381

Payments received on account represents sale of tickets prior to 31 August 2023 for performances to take place after the balance sheet date amounting to £363,861 (2022 - £227,381) and venue hire revenue relating to periods after the balance sheet date of £1,230 (2022 - £nil).

12 PENSION COMMITMENTS

The parent company operates a defined contribution pension scheme. The assets of that company are held separately from those of the parent company, in an independently administered fund. Pension costs of £9,761 (2022 - £8,321) representing contributions payable by the company to the fund, were charged to the profit and loss account. At the year end creditors included an unpaid pension creditor of £2,228 (2022 - £1,904).

13 OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	Group 2023	Group 2022	Parent 2023	Parent 2022
	£	£	£	£
Expiring:				
Less than one year	6,480	8,640	6,480	8,640
Between two and five years	-	6,480	-	6,480
More than five years	-	-	-	-
	6,480	15,120	6,480	15,120

Annual rent payable in regard to Huntingdon Hall, under an agreement that runs until 2023, is dependent on the financial results of the charitable company for the previous financial period, up to a maximum of £10,000 per year. Future amounts of rent payable in regard to Huntingdon Hall have been excluded from the above operating lease commitment disclosure, on the basis that the amounts payable cannot be reliably measured.

No rent is payable in regard to the Swan Theatre, although the lease is currently in the process of being renegotiated.

14 RELATED PARTY TRANSACTIONS

Total donations and sponsorship income received in the year from trustees amounted to £263 (2022 - 1,020).

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

15 INCOMING RESOURCES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Donations and legacies				
Grants received - Worcester City Council	115,512	-	115,512	114,248
Grants received - Friends of The Swan / Huntingdon Hall	1,000	-	1,000	2,900
Grants received - COVID-19 related	-	-	-	166,600
Grants received - other	801	74,315	75,116	117,032
Donations received from individuals	1,335	50,555	51,890	33,593
Patron scheme	1,013	-	1,013	2,138
Legacies	1,000	-	1,000	14
	<u>120,661</u>	<u>124,870</u>	<u>245,531</u>	<u>436,525</u>
Charitable activities				
Performance income	1,009,785	-	1,009,785	912,698
Performance sponsorship	8,250	-	8,250	5,290
Hall hiring fees	94,625	-	94,625	86,265
Youth Theatre	15,722	-	15,722	16,706
Rent - Elgar School of Music	5,250	-	5,250	3,750
Holiday activities & food programme	13,126	-	13,126	34,171
Sundry other activities	1,344	-	1,344	781
	<u>1,148,102</u>	<u>-</u>	<u>1,148,102</u>	<u>1,059,661</u>
Other trading activities				
Raffle	2,580	-	2,580	2,547
100 Clubs	3,535	-	3,535	4,185
Commission	5,449	-	5,449	1,876
Sundry	3,125	-	3,125	764
Advertising	4,208	-	4,208	761
Box office booking fees	112,470	-	112,470	81,045
Sale of food, drinks and merchandise	216,936	-	216,936	163,950
	<u>348,303</u>	<u>-</u>	<u>348,303</u>	<u>255,128</u>
Investment income				
Bank interest	6,420	-	6,420	279
	<u>6,420</u>	<u>-</u>	<u>6,420</u>	<u>279</u>
TOTAL INCOMING RESOURCES	<u>1,623,486</u>	<u>124,870</u>	<u>1,748,356</u>	<u>1,751,593</u>

COVID-19-related rent concessions

During the year the charity waived rental income due to them from the Elgar School of Music of £nil (2022 - £1,250) as a result of COVID-19.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

16 EXPENDITURE

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Raising funds				
100 Club prizes	1,750	-	1,750	2,580
Cost of food, drinks and merchandise held for resale	96,692	-	96,692	84,117
	<u>98,442</u>	<u>-</u>	<u>98,442</u>	<u>86,697</u>
Charitable Activities				
Direct Costs				
Wages and salaries	155,492	1,727	157,219	155,136
Subcontractors	11,280	-	11,280	10,846
Artist fees and other event expenses - general	545,310	35,850	581,160	545,651
Artist fees and other event expenses - pantomime	101,868	-	101,868	107,555
Technical expenses	5,959	-	5,959	5,800
Youth Theatre	6,199	6,679	12,878	10,237
Holiday activities & food programme	11,594	-	11,594	15,319
Outreach projects	-	4,512	4,512	1,647
Performing Rights Society fees	27,706	-	27,706	22,656
Depreciation	3,919	9,111	13,030	40,852
	<u>869,327</u>	<u>57,879</u>	<u>927,206</u>	<u>915,699</u>
Support Costs				
Wages and salaries	282,400	-	282,400	253,058
Administration subcontractors	20,769	-	20,769	36,890
Credit card charges re ticket sales	7,389	-	7,389	20,157
Brochure and ticket printing	87,079	-	87,079	78,002
Advertising	11,215	-	11,215	9,527
Telephone	3,403	-	3,403	3,427
Postage and stationery	34,327	-	34,327	38,537
Photocopier	8,688	-	8,688	11,468
Repairs and renewals	48,561	-	48,561	55,052
Sundry expenses	3,331	-	3,331	1,811
Insurance	10,781	-	10,781	8,541
Water	4,398	-	4,398	5,620
Electricity and gas	36,235	-	36,235	40,970
Bank charges	2,568	-	2,568	2,389
Professional fees	1,528	-	1,528	4,373
Bad debts	111	-	111	4,023
Auditors remuneration	13,200	-	13,200	12,000
Auditors remuneration for non audit work	5,784	-	5,784	7,232
	<u>581,767</u>	<u>-</u>	<u>581,767</u>	<u>593,077</u>
TOTAL EXPENDITURE	<u>1,549,536</u>	<u>57,879</u>	<u>1,607,415</u>	<u>1,595,473</u>

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

17 RESTRICTED FUNDS

	As at 1 September 2022	Income	Expenditure	Transfers from / (to) unrestricted reserves	As at 31 August 2023
Lighting	2,785	-	(929)	-	1,856
New equipment	5,267	-	(1,641)	-	3,626
Outdoor projector and screen	3,654	-	(1,218)	-	2,436
Satellite dish and projector	20,766	-	(4,923)	-	15,843
Swan Studio & Huntingdon Hall project	1,598	-	(400)	-	1,198
Accessibility fund	1,358	2,500	-	-	3,858
Adult Arts Programme	-	3,000	-	-	3,000
Booming Voices	-	16,000	(8,197)	-	7,803
Dance floor	6,000	-	-	-	6,000
Foyer redevelopment	-	3,490	(1,788)	-	1,702
George Nield	-	4,800	(4,800)	-	-
Inclusive community fund	-	7,000	-	-	7,000
Open day	-	1,050	-	-	1,050
Our shoes project	-	3,000	-	-	3,000
Outreach and participation fund	28,595	-	-	(10,774)	17,821
Outreach projects	-	4,000	(4,000)	-	-
Restoration fund	-	45,958	-	-	45,958
Saucy	12,274	-	(12,274)	-	-
Save our loos	-	12,597	-	-	12,597
Shower room	5,000	-	-	-	5,000
Wellbeing project	-	500	(500)	-	-
Worcester Fringe	2,083	10,000	(8,791)	-	3,292
Youth advisory board	-	2,500	(1,227)	-	1,273
Youth projects	5,395	8,475	(7,191)	-	6,679
	94,775	124,870	(57,879)	(10,774)	150,992

Transfers between funds

Outreach and participation fund related to monies received to be used to fund a scheme whereby performance tickets were given out free to qualifying individuals. An amount equal to the face value of performance tickets issued under this scheme totalling £3,753 has been transferred from this restricted fund to unrestricted reserves.

In addition, now that the Outreach and participation fund scheme has ended, the original donor of the funding for the outreach and participation fund has agreed that an element of the underspend totalling £7,021 can be released to unrestricted funds in exchange for services provided by the charity to the donor on which a fee would otherwise be due to the charity.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

17 RESTRICTED FUNDS (Continued)

COMPARATIVE ANALYSIS OF RESTRICTED FUNDS

	As at 1 September 2021	Income	Expenditure	Transfers from / (to) unrestricted reserves	As at 31 August 2022
Lighting	3,714	-	(929)	-	2,785
New equipment	6,909	-	(1,642)	-	5,267
Outdoor projector and screen	4,872	-	(1,218)	-	3,654
Satellite dish and projector	25,691	-	(4,925)	-	20,766
Swan Studio & Huntingdon Hall project	29,225	-	(27,627)	-	1,598
Accessibility fund	1,748	-	(390)	-	1,358
Dance floor	-	6,000	-	-	6,000
Emerging Artists	12,380	837	(13,217)	-	-
Focus groups	-	4,000	(4,000)	-	-
George Nield	5,000	2,000	(7,000)	-	-
Kickstart	-	21,133	(21,133)	-	-
Outreach and participation fund	-	40,000	-	(11,405)	28,595
Recycling bins	-	1,000	(1,000)	-	-
Restoration fund	-	29,561	(29,561)	-	-
Saucy	-	22,255	(9,981)	-	12,274
Shower room	-	5,000	-	-	5,000
Worcester Fringe	2,050	5,000	(4,967)	-	2,083
Youth projects	3,000	2,600	(205)	-	5,395
	<u>94,589</u>	<u>139,386</u>	<u>(127,795)</u>	<u>(11,405)</u>	<u>94,775</u>

Nature of individual restricted funds

The lighting fund relates to fixed assets held originally purchased by funding provided by the Rowlands Trust for the purchase of theatre lighting. Expenditure for the year relates to depreciation of the fixed assets purchased with these funds.

The new equipment fund relates to fixed assets held originally purchased by funding provided for the purchase of a stair lift, new lights and a new stage. Expenditure for the year relates to depreciation of the fixed assets purchased with these funds.

The outdoor projector and screen fund relates to fixed assets held originally purchased by funding provided by The Kildare Trust for the purchase of an outdoor projector and screen. Expenditure for the year relates to depreciation of the fixed assets purchased with these funds.

The satellite dish and projector fund relates to grant funding received from the Foyle Foundation and the Roger & Douglas Turner Charitable Trust to fund installation equipment at the Swan Theatre to allow live broadcasts to be viewed there. Expenditure for the year relates to depreciation of the fixed assets purchased with these funds.

The Swan Studio and Huntingdon Hall project fund relates to fixed assets held originally purchased by funding provided by (among others) The Foundation for Sport and the Arts for the renovation and improvement works to the existing Swan Theatre and Huntingdon Hall. Expenditure for the year relates to depreciation of the fixed assets purchased with these funds.

Accessibility fund relates to funding received in regard to a project to make performances more assessable to audience members with who may experience anxiety, mental health issues or have additional support needs.

Adult Arts Programme fund relates to funding received in regard to a 2 year project in support of our Adult Arts Programme.

Booming Voices fund relates to funding received in regards to a 10 week programme providing young people with the opportunity and skills to explore poetry.

Dance floor fund relates to funding received to instal a new dance floor at the Studio.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

17 RESTRICTED FUNDS (Continued)

Nature of individual restricted funds (continued)

Emerging Artists fund relates to Arts Council England funding received to assist in organising performances of new artists.

Focus groups fund relates to local council funding received to hold focus groups held to investigate the impact of COVID-19 on teenagers and the LGBTQ+ community.

Foyer redevelopment fund relates to funding received to redevelopment of upstairs foyer area of the Swan Theatre.

The George Nield fund relates to income received to organising specific performances.

Inclusive community fund relates to funding received relating to an inclusive community project.

Kickstart fund relates to monies received as part of the government's Kickstart Scheme to support the employment of 3 individuals.

Open day fund relates to funds received to run an open day.

Our shoes project fund relates to funding received relating to an emerging artist development project.

Outreach and participation fund originally related to monies received to be used to fund a scheme whereby performance tickets were given out free to qualifying individuals. When the scheme ended the original donor consented that the remaining funds be used to support the activities of the charity's outreach and participation department.

Outreach projects fund relates to funding received to fund various community group activities organised by the charity.

Recycling bins fund relates to funding received to purchase new recycling bins.

The restoration fund relates to various grants and donations received to fund ongoing renovation work at the venues operated by the charitable company.

Saucy fund relates to funding received to support the charity's LGBTQ+ arts programme Saucy.

Save our loos fund relates to donations collected from the general public to finance a refurbishment of the venues' toilet facilities.

Shower room fund relates to funding received to instal a shower room at the Swan Theatre.

The youth projects fund relates to funding received to fund youth projects.

Wellbeing fund relates to funding received in regards to arts and wellbeing festival & workshops.

Worcester Fringe fund relates to funding received to support the charity's Worcester Fringe event.

Youth advisory board fund relates to funding received relating to a 12 month development project for young people to gain experience and make decisions that will affect the cultural landscape of Worcester Theatres.

Youth projects fund relates to various grants received to fund activities relating to the youth theatre group run by the charity.

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

18 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds <u>2023</u> £	Restricted Funds <u>2023</u> £	Total Funds <u>2023</u> £
FIXED ASSETS			
Tangible fixed assets	5,983	24,959	30,942
CURRENT ASSETS			
Stocks	9,421	-	9,421
Debtors	26,478	3,700	30,178
Cash at bank and in hand	1,026,201	124,749	1,150,950
LIABILITIES			
Amounts falling due within one year	(501,988)	-	(501,988)
INTER-FUND LOANS	2,416	(2,416)	-
NET CURRENT ASSETS	<u>568,511</u>	<u>150,992</u>	<u>719,503</u>

COMPARATIVE ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds <u>2022</u> £	Restricted Funds <u>2022</u> £	Total Funds <u>2022</u> £
FIXED ASSETS			
Tangible fixed assets	9,902	34,070	43,972
CURRENT ASSETS			
Stocks	7,205	-	7,205
Debtors	25,618	-	25,618
Cash at bank and in hand	827,492	60,705	888,197
LIABILITIES			
Amounts falling due within one year	(386,430)	-	(386,430)
NET CURRENT ASSETS	<u>483,787</u>	<u>94,775</u>	<u>578,562</u>

WORCESTER THEATRES CHARITABLE TRUST LIMITED
CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023 (Continued)

19 ANALYSIS OF CHARITABLE COMPANY'S NET ASSETS BETWEEN FUNDS

	Unrestricted Funds <u>2023</u> £	Restricted Funds <u>2023</u> £	Total Funds <u>2023</u> £
FIXED ASSETS			
Tangible fixed assets	5,983	24,959	30,942
Investments	2	-	2
CURRENT ASSETS			
Debtors	403,599	3,700	407,299
Cash at bank and in hand	651,573	124,749	776,322
LIABILITIES			
Amounts falling due within one year	(495,062)	-	(495,062)
INTER-FUND LOANS	2,416	(2,416)	-
NET CURRENT ASSETS	<u>568,511</u>	<u>150,992</u>	<u>719,503</u>

COMPARATIVE ANALYSIS OF CHARITABLE COMPANY'S NET ASSETS BETWEEN FUNDS

	Unrestricted Funds <u>2022</u> £	Restricted Funds <u>2022</u> £	Total Funds <u>2022</u> £
FIXED ASSETS			
Tangible fixed assets	9,902	34,070	43,972
Investments	2	-	2
CURRENT ASSETS			
Debtors	261,898	-	261,898
Cash at bank and in hand	590,507	60,705	651,212
LIABILITIES			
Amounts falling due within one year	(378,522)	-	(378,522)
NET CURRENT ASSETS	<u>483,787</u>	<u>94,775</u>	<u>578,562</u>

20 FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.