

WALES MILLENNIUM CENTRE (LIMITED BY GUARANTEE)

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Registered Company Number 3221924

Registered Charity Number 1060458



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TRUSTEES' REPORT

This report constitutes the Strategic Report and the Directors' report required under the Companies Act 2006.

1. Reference and administrative details

Charity Name: Wales Millennium Centre (Limited by Guarantee)
Charity Number: 1060458
Company Number: 3221924
Country of Incorporation: Wales

Chairman
Mr P Swinburn

Secretaries
Mr G R Tilsley
Lewis Silkin LLP
Southgate House
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Cardiff
CF10 1EW

Principal address and registered office
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Independent auditors
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CF23 8AA

Internal: RSM
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Malthouse Avenue
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Cardiff
CF23 8RU

Bankers
Lloyds TSB plc
1 Queen Street
Cardiff
CF10 2AF

Solicitors
Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Specialist Asset Manager
Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

TRUSTEES' REPORT *(continued)*

1. Reference and administrative details *(continued)*

Managing Director and other Senior Staff:

Mathew Milsom, Managing Director

Graeme Farrow, Artistic and Creative Director

Alison Copus, Director of Marketing & Communications

Elizabeth Burris, Finance & Corporate Services Director

Sian Morgan, Director of Development and Partnerships (appointed 01/04/20)

2. Structure, governance and management

2.1 COVID 19

COVID 19 had a devastating impact on Wales Millennium Centre and the wider theatre industry. We closed our doors on 16th March 2020 and did not reopen for remainder of the year (see section 4.1).

Overnight, all theatre related income ceased. WMC immediately estimated a reduction in income of £20m and were forced to take appropriate action, including significant cost reductions and making the case for support for emergency funding to the UK and Welsh arts and cultural sectors.

We secured financial support from both UK Government (Coronavirus Job Retention Scheme) and emergency support from Welsh Government, which secured the Centre's short-term survival.

This emergency funding related both to current and future financial commitments, including reopening costs. As such, and in line with the Charity accounting principles, we have recognised this income on receipt (October 2020 and January 2021), although expenditure has continued beyond March 2021 as a result of the extended national lockdown in December 2020.

This year's financial statements show a surplus of circa £2m. This will be expensed in future periods, resulting in an accounting deficit (in relation to the grant received) in 2021/22.

- 2.2** Wales Millennium Centre (Limited by Guarantee) ("Wales Millennium Centre", "WMC", "the Charity" or "the Centre") is a company limited by guarantee without share capital and a registered charity. It is governed by its Articles of Association. Wales Millennium Centre aims to create a special place which will provide a focal point for the unique culture, identity and talents of Wales through the creation of a world class showcase for musicals, opera, dance, exhibitions, entertainment and education in a millennium landmark, with long lasting benefits for the whole community.
- 2.3** The members of the Board who are listed below serve as the Charity's Trustees ("the Trustees") and are directors as defined under the Companies Act.
- 2.4** The Trustees are elected by the members of the Charity. On appointment as a Trustee, each Trustee also becomes a member of the Charity. It is for the members of the Charity to determine the total number of Trustees at any one time, within the maximum limit set in the Articles. The Trustees of the Charity act in furtherance of its objectives and approve the annual financial statements and the appointment of the auditors. Insurance has been obtained in connection with Trustees' and officers' liability.
- 2.5** The Trustees who held office during the year up to the date of approval of the financial statement were as follows:

	Finance & Audit Committee	Governance & Compensation Committee
Peter Swinburn		X
Carol Bell	X	
Ian Hargreaves* (retiring December 2021)		
Mererid Hopwood* (retiring December 2021)		
Geraint Anderson	X	



Rita Singh		X
Michelle Pearce-Burke	X	
Joanna Rees	X	
Nicky Goulder		X
Amit Kachawaha	X	

*does not have any Committee membership

TRUSTEES' REPORT *(continued)*

2. Structure, governance and management *(continued)*

With the imminent retirement of two of our trustees, the members of the charity are seeking to further diversify the composition of its board. Given the significant capital projects planned for delivery in the coming years, expertise in capital projects and fundraising will be sought, as well as digital expertise as we develop our digital strategy for the future.

The Board recognises the importance of effective corporate governance. Accordingly, it has established a number of Committees that meet on a regular basis, appropriate to the need of the Charity. The following Committees produce recommendations to the full Board in accordance with their terms of reference and met with the following frequency:

- | | |
|---------------------------------------|-------------|
| • Finance & Audit Committee | Quarterly |
| • Governance & Remuneration Committee | Bi-annually |

Finance and Audit Committee met more frequently and as required, following the closure of the Centre, due to the rapidly changing environment in which it was operating. The Chairman also attended these meetings where appropriate, and if not in attendance the Chairman was updated following each committee meeting. The majority of these meetings were held virtually in order to comply with the restrictions in place.

Trustees were updated regularly between board meetings via email and/or verbally by the Managing Director.

- 2.6 The appointment of new Trustees to the Board is the responsibility of the members, who receive recommendations from the Governance and Compensation Committee. The composition of the Board reflects the balance of skills and attributes needed at any particular time to oversee the management and operation of the Charity, whilst having regard for the need for a diversity of Trustees. The role of the Governance & Compensation committee is to ensure that this balance is maintained.

The formal procedure for inducting all new Trustees into the organisation involves meetings with the Chairman of the Board, current Trustees, the Strategic Leadership Team, and other senior staff as appropriate. A tour of the facility is given as part of the induction process. In addition, all Trustees are provided with a copy of the Wales Millennium Centre Trustees Briefing Pack, which includes:

- Corporate Governance Statement;
- Articles of Association;
- Membership and Terms of Reference of Committees;
- Directors' Report and Financial Statement for the previous financial year;
- Current Annual Business Plan and 5 Year Strategic Plan;
- Charity Commission Guidance Note CC60 – Hallmarks of an Effective Charity (English/ Cymraeg);
- Charity Commission Guidance Note CC3 – Responsibilities of Charity Trustees (English/ Cymraeg);
- Wales Millennium Centre's Trustees Code of Conduct incorporating Board policies;
- Summary of Organisation Structure;
- Contact List of Trustees and Senior Management; and
- Summary of Resident Organisations and brief terms of agreement with Wales Millennium Centre.

Trustees review their training needs on an annual basis and where necessary appropriate training programmes are developed and implemented. The Board's membership includes those with appropriate professional experience and knowledge of theatre, arts, culture, legal, estates, commercial, education, finance, and strategic business matters.

The Board is responsible for approving overall policies, plans, and organisational priorities. The Strategic Leadership Team of the Charity is responsible for the implementation of the Board's policies and the management of the Charity.

TRUSTEES' REPORT *(continued)*

2. Structure, governance and management *(continued)*

- 2.6 The Charity is the ultimate parent undertaking of three wholly owned subsidiaries; Wales Millennium Centre (Trading) Limited, WMC Productions Limited, which is 100% owned by Wales Millennium Centre (Trading) Limited, and Wales Millennium Centre (Theatre) Limited.

Wales Millennium Centre (Trading) Limited carries out non-charitable trading activities for the Charity. There is a deed of covenant in place between the Charity and Wales Millennium Centre (Trading) Limited whereby the profits of Wales Millennium Centre (Trading) Limited are transferred to the Charity by way of charitable donation. Due to the Coronavirus pandemic and consequent closure of all theatre and associated activities, no trading profits were generated. As such, total charitable donation made during the year was £nil (2020: £796k).

WMC Productions Limited creates productions commissioned by the Charity, with the Charity paying WMC Productions Limited a commissioning fee for this work. Due to the Coronavirus pandemic, no productions were commissioned by the Charity during this financial year, and as such the total commissioning fee payable for the year was £nil (2020: £523k).

Wales Millennium Centre (Theatre) Limited remained dormant throughout the year covered by these financial statements.

- 2.7 The Board of Trustees is ultimately responsible for guaranteeing that the organisation has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- The Charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained, and financial information used within the charity, or for publication, is reliable;
- The Charity complies with relevant laws and regulations.

In assessing what constitutes reasonable assurance, the Board has regard to the materiality of any relevant financial risks; the likelihood of such risks crystallising and the cost and benefits of particular aspects of the internal control system. The effectiveness of the system of control is reviewed regularly by the Finance & Audit Committee, and objectively reviewed through an internal audit review programme conducted by external professional advisors. The internal audit plan was temporarily put on hold when the Coronavirus pandemic hit. A rolling three year programme of work will restart once the Centre reopens.

The Board had instituted a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the type of risks the charity faces, prioritising them in terms of potential impact and the likelihood of occurrence and identifying means of mitigating those risks. Management regularly reviews organisational risks, and the Top 10 risks are reported to, and reviewed by both the Finance & Audit Committee and the full Board. In addition, the adequacy of the Charity's current internal controls is regularly reviewed as part of this process. The Trustees are pleased to report that the Charity's system of internal financial controls conforms to guidelines issued by the Charity Commission.

Following its review of the risks facing the charity, the Board and management have identified the principal risks and uncertainties relating to the charity and have taken appropriate steps, where possible, to mitigate them. Due to the speed of change and the impact of the Coronavirus pandemic, risks to the organization were reviewed more frequently by the management team. The Coronavirus pandemic brought with it new and challenging risks to the organisation. The main risks identified are detailed in section 7 of the Trustees report.

In addition, the Trustees have considered the guidance for Directors contained within the Combined Code. They believe that although this is not mandatory for the Charity, as a public interest body, it should aspire to these guidelines as best practice, and the Charity has incorporated the three main principles of board leadership, effectiveness, and accountability into its Corporate Governance Statement. The Board effectiveness is reviewed on at least an annual basis and the Board composition is formally assessed preceding the appointment of a new trustee.



TRUSTEES' REPORT *(continued)*

2. Structure, governance and management *(continued)*

As of 31 March 2021, WMC had a board of 10 Trustees. The diversity and skillset of the board is assessed on an annual basis. Recruitment of new members is then targeted, in line with our equality strategy plan, to ensure a diverse board with appropriate skills is maintained.

Protected Characteristic	WMC (October 2020 - March 2021) Population of 10	WMC (October 2019 - March 2020) Population of 10
Gender - % female	60%	60%
Sexual orientation	0%	0%
Disability	0%	0%
Race	20%	20%
Religious beliefs	20%	20%
Age - 50+	70%	70%
Welsh speakers	30%	30%

A formal monthly reporting regime is in place between the Charity and its key stakeholder, **Arts Council of Wales (ACW)**, along with quarterly review meetings and an annual review. The annual meeting between senior leaders of WMC and ACW assesses performance against agreed objectives and validates objectives for the coming year. These review meetings have been very positive.

The financial support of ACW has been critical to us getting through 2020/21 and indeed until we are able to reopen commercially. We are extremely grateful for their ongoing support and understanding of how we are impacted.

3. Objectives and activities for the public benefit

Wales Millennium Centre is a home for the arts in Wales, and a cauldron of creativity for the nation. We fire imaginations by curating world-class, critically acclaimed touring productions, from musical theatre and comedy to dance, cabaret and an international festival. We kindle emerging talents with fresh, provocative and popular pieces of our own, rooted in Welsh culture. We ignite a passion for the arts in young people with life-changing learning experiences and chances to shine in the spotlight.

The Centre is a major tourist attraction for Wales. It aims to be internationally significant, renowned for excellence, leadership, and innovation. Entertaining audiences and attracting visitors from the whole of Wales and well beyond, it will continue to provide a creative home for Wales' leading arts and cultural organisations.

We aim to Inspire Our Nation and Impress the World, creating inspirational and life-changing experiences that broaden horizons. We seek to:

- Be celebrated as one of the leading performing arts centres in the world
- Create innovative work that showcases Wales to the world
- Raise the aspiration of every young person in Wales
- Be accessible to everyone in Wales

We will continue developing our commitment to the Welsh language, ensuring that we are an exemplary bilingual organisation. We will continue to work with the Welsh Language Commissioner in adhering to the Welsh language standards that apply.



TRUSTEES' REPORT *(continued)*

3. Objectives and activities for the public benefit *(continued)*

The Trustees confirm that they are aware of the **Charity Commission's** general guidance on public benefit, and they have referred to the guidance when reviewing the Charity's aims and objectives and in planning future activities. The overriding objective during this financial year, in the face of an unprecedented pandemic, was one of survival. Survival, along with remobilization, will be key objectives for the coming year, such that when UK and Welsh Government restrictions permit, WMC will be ready to open. These objectives will continue until such time as commercial theatre is permitted to reopen without social distancing.

Wales Millennium Centre's 16th full year in operation was one like no other, being forced to close its doors to the public, without advance notice, on Monday 16 March 2020 following UK Government's guidelines in response to the Coronavirus pandemic. Our doors remained closed throughout 2020 and into 2021. This closure was devastating in terms of lost revenue. Difficult decisions were made in order to ensure the survival of the National Arts Centre for Wales. Despite the challenges and significant uncertainty we faced, we succeeded in keeping the arts alive behind the scenes.

Over the past year, we have kept the flame of creativity alive by supporting and enabling grassroots projects. We launched the **Creative Voice** training courses for young people, hosted a **Butetown Carnival** picnic, further developed our own productions for 2021 and beyond, showcased several community exhibitions, and supported our youth-led radio station, **Radio Platform**, to continue to broadcast.

Live performances on our stages are why we exist. We are preparing for our venues to reopen in line with **Welsh Government** and **Public Health Wales** guidelines. Our new programme will continue to include the very best West End shows, alongside public art informed by participatory budgeting, creative learning experiences designed and developed by young people and growing support for artists and creative practitioners. We are working hard to rebuild Wales Millennium Centre as an asset and resource used by artists, communities, and young people. We are committed to the principles set out in ACW's cultural contract to support a more diverse, inclusive, and sustainable sector. We will reflect the diversity and richness of our community as we create work that fulfils our mission to inspire the nation and impress the world.

4. Achievements & Performance

4.1 COVID-19 Impact

Due to the Coronavirus pandemic, Wales Millennium Centre closed its doors on 16 March 2020 in line with **UK Government** guidelines. One week later, a lockdown of the entire country was announced by **UK Government**, with a review of restrictions scheduled every three weeks. **Welsh Government** also imposed its own restrictions in Wales.

Wales Millennium Centre has not been able to reopen this financial year. The impact of this was devastating, with the loss of almost all of our income overnight. The organisation lost approximately £20m of income over the period, had contractual commitments to honour and had an annual wage bill in excess of £5m. Decisions needed to be made quickly, based upon information available at the time, and a financial review undertaken to ensure that the cost base was reduced to within the level of the revenue grant from **ACW**, £3.6m. During this review and in light of the pandemic, it was also evident that the business would need to reopen with a different business model post pandemic.

Communications went out to customers and staff on 16 March 2020 explaining the consequences of the Government's decision. All shows were cancelled until further notice and refunds/alternative dates offered. Permanent staff were to work from home and would be paid March's salary as usual and casuals were informed that they would be paid for shifts worked, but that no further shifts would be offered.

Negotiations commenced with visiting producers with regards to the cancelling and/or rescheduling of shows. All of these decisions required mutual agreement to protect both parties. A significant amount of work also went into the cancelling/rescheduling shows with producers, contacting approximately 300,000 customers, and where necessary, arranging refunds.

All third-party contracts were reviewed and, where possible, renegotiated. Recruitment and discretionary spend was put on hold. All perishable stock was disposed of, with as much as possible being donated to local charities and to staff.

The **UK Government** announced a Coronavirus Job Retention Scheme (CJRS) as a means of protecting jobs and therefore household incomes. The scheme was announced on 20 March 2020 and was set to run until 31 May 2020. All eligible staff, permanent and casual, were offered furlough as soon as was practically possible, and all accepted. The Chancellor subsequently extended the scheme to 30 June 2020 and, by the end of May, had extended it again.

TRUSTEES' REPORT *(continued)*

4. Achievements & Performance

At this point, however, it was announced that whilst the scheme was to remain the same until 31 July 2020, from 1 August 2020 a more flexible scheme would be available until 31 October 2020, but this scheme would come at a cost to the employer. The Chancellor had confirmed that, with the reopening of the economy, he would not be extending the furlough scheme further.

The Coronavirus Job Retention Scheme was a lifeline to many. However, it did not reach all of those working in the arts sector and funded only one element of the fixed costs that the arts sector had to bear with no means of generating commercial revenues. Wales Millennium Centre lobbied hard, directly and indirectly, with both **Welsh** and **UK Government** Ministers for emergency funding for itself as the National Arts Centre for Wales and for the arts sector in general.

One of key challenges throughout the year was that of uncertainty. So much was unknown, and information was constantly being updated / amended. The management team had to make decisions to enable them to control the situation as far as possible, to ensure the survival of the organisation in the long run.

4.1 COVID-19 Impact

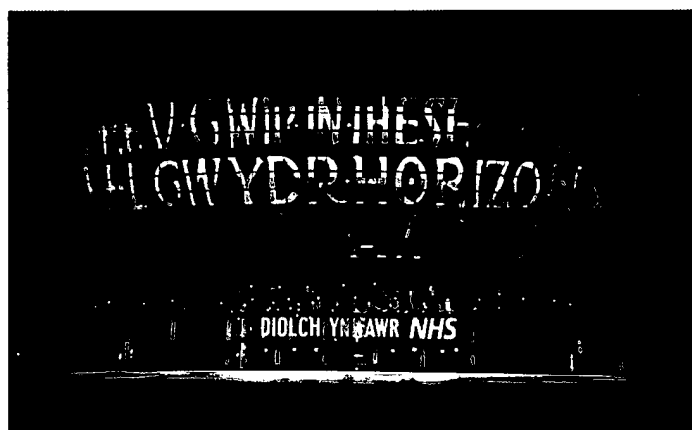
On the basis that the Coronavirus Job Retention Scheme (CJRS) would end in October 2020, with no ability to generate commercial income for the foreseeable future, with no adequate emergency funding available and with no clear date nor roadmap as to when theatres would be able to reopen, the difficult decision was taken to commence a collective consultation process to reorganise the business. The consultation process took place throughout June and July 2020 and notice of redundancy was issued to 35 permanent staff members from 1 August 2020. Casual staff were informed they would remain furloughed until end August 2020. No cost of living pay increases were awarded during the year, and the contractual payment of Performance Related Pay in respect of 2019/20 to the senior leadership team was deferred.

Whilst an emergency funding package was announced by **UK Government** on 5 July 2020, it wasn't until 30 July 2020 that details of the Cultural Recovery Fund was announced by **Welsh Government**. The fund was announced primarily as a rescue and recovery package, but also an opportunity to help deliver transformational change to the reach and impact of the arts. By this point the consultation process was already concluded for many staff.

In October 2020, **ACW** announced that we were successful in the application and £3.9m was awarded to the Centre. This emergency support safeguarded 92 valuable roles and ensured critical theatre and venue management skills were retained within WMC and the sector. This funding has enabled us to further support the wider community of artists as we rebuild our activity, providing vital opportunities for freelancers, and for apprentices to continue training. The money has also funded new technology and alterations to the building, to make the building more accessible in the current climate, and safe to reopen.

As a result of lockdown restrictions extending beyond 31 March 2021 a second rescue package, for which we were eligible, was announced in April 2021. Given £1m of the first CRF application related to exceptional 'one off' reopening costs, and had not been spent by 31 March 2021 due to the unanticipated and extended Christmas lockdown delaying reopening, our application for the second Cultural Recovery Fund was significantly less than the first application.

We were also successful in receiving £50,000 from **Welsh Government**, from the Economic Resilience Fund in May 2020, benefitted from rates relief and received £175k additional funding from **Arts Council Wales** Emergency Fund in July 2020, to continue our work with young people whilst we were closed.



During the pandemic, along with many other iconic landmarks, we lit our building in blue in support of the **NHS**.

We also provided space in kind (2 rooms and toilet facilities) for face-to-face clinics including Diabetic Eye Screening and the Abdominal Aortic Aneurysm (AAA) Screening from May to August 2020.

The site has been used for many operations by the South Wales Police to allow them to maintain compliance in their operational venue training for Dogs, firearms and search teams. We also granted **South Wales Police** the use of four dressing rooms for a nine-month period to allow them to FIT test masks for all of their officers.

TRUSTEES' REPORT *(continued)*

4.2 Overview

Donald Gordon Theatre

Wales Millennium Centre closed its doors to the public on 16 March 2020, due to the Coronavirus pandemic. 2020/21 has been a year of great uncertainty having lost all of our commercial revenues, and with little clarity throughout the year over a roadmap to reopening. The impact on the Coronavirus pandemic on commercial theatre is significant, with the entire ecology of the arts sector severely impacted. Audiences are unable to attend the theatre, producers are unable to rehearse, or tour, and it is uneconomical for the theatre to operate whilst social distancing measures are in place.

We have maintained strong relationships with producers through a collaborative approach to dealing with the consequences of the pandemic. Shows have been cancelled or rescheduled with mutual agreement of both parties, and contracts amended to take account of the circumstances we currently face. With so much uncertainty for venues, producers and all the freelance performers working on each show, we have worked collaboratively to provide information and support where we can. Whilst there have been no shows on the Donald Gordon Theatre stage this financial year, we continue to have a strong commercial programme scheduled for the next two to three years, including *Beauty and The Beast*, *The Lion King*, *Everybody's talking about Jamie*, *Dreamgirls*, *Six* and the return of the timeless classic, *Les Misérables*.

We have maintained strong relationships with our audiences, keeping them informed of cancellations and rescheduled shows. Our Customer Service team have worked hard to communicate with customers about cancellations, rescheduling and the continuous uncertainty. Despite the uncertainty surrounding a reopening date, our audiences continued to book tickets as shows went on sale.

Throughout the year, we have used this time of closure to reconsider our business model. Looking forward, we will continue to programme the best musical theatre on our Donald Gordon Theatre Stage throughout the year, but we will also now free up time to enable other voices to share that stage and platform in line with our creative and strategic vision. This means building on previous work with young people and communities to enable them to 'take over' that space at different times in the year. We are also building partnerships with world class performing arts companies and Wales based organisations to bring a wider range of creative work to the Donald Gordon Theatre.

During the pandemic, we have done what we can to support this work. When lockdown restrictions have permitted, we have been able to open up the theatre to creative groups to use for rehearsals and filming. **Butetown Carnival** have recorded a number of films on the stage and throughout the Centre, reinforcing our links with the local community. **Welsh National Opera** used the space for socially distanced rehearsals, and WMC used the space to create some of the Digital work made for **Gwyl** festival early in 2021.

At the same time, we have been building on our Community Ticketing programme. We have purchased 32 new seats which will be installed in the auditorium ahead of reopening. They will enable us to significantly increase the number of available affordable seats for communities, young people and artists each year. This is a development of the community ticketing scheme we have initiated with producers over the last 3 years. Our community ticketing scheme is being designed and implemented with our community ambassadors to ensure tickets are distributed effectively. This project will enable us to continue to enhance our audience diversity and improve accessibility to the arts, in line with our objectives and the Cultural Contract.

Weston Studio and ffresh

The Weston Studio and Ffesh Cabaret have also been closed throughout the pandemic. Our own production *The Beauty Parade* was the last production to take to the Weston Stage in March 2020.



TRUSTEES' REPORT (continued)

4.2 Overview (continued)



Inspired by true events, *The Beauty Parade* is the untold story of female British Spies dropped over enemy lines in the second world war. Co-produced with pioneering theatre maker **Kate O'Reilly**, *The Beauty Parade* is captioned throughout and incorporates live music, evocative songs and visual language to tell one of the most extraordinary stories of the 20th century. With collaboration from composer **Rebecca Applin** and, performer and visual language expert **Sophie Stone**, this production was a unique collaboration between Deaf and hearing artists. *The Beauty Parade* premiered at Wales Millennium Centre between the 5 - 14 March 2020, exceeding box office targets.

The show was reviewed in several publications and platforms, locally and nationally, including a BSL video review by a Deaf critic, and a 5-star review from **The Stage**. In 2020, it was awarded best in Welsh Theatre for 2020 by **Wales Arts Review**.

"An undeniable achievement... The play is part of the Wales Millennium Centre's continued effort to bring more homegrown productions to their audiences. The Beauty Parade should give the venue good cause for carrying on in this direction."

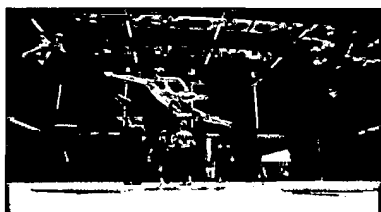
"A phenomenal tour-de-force"

Wales Arts Review

"A piece that will, no doubt, be enduringly popular with a huge cross-section of attendees because of its wide-ranging reach and high-quality writing and acting."

Disability Arts Online

As with the Donald Gordon Theatre, the Weston Studio has accommodated numerous artists throughout the year, by hosting Covid secure Research and Development (R&D) for a range of companies. These included **Chippy Lane** productions, **Connor Allen**, **Avant Cymru**, **Matteo Marfaglia**, **Ty Cerdd**, **Cwmni Fran Wen** on our co-production of *Branwen* and many more.



We have worked with new organisations to support digital programming throughout the year. We piloted different platforms and approaches to digital work with our audiences and used new technology. We have worked in partnership with **Rambert Dance Company** to host their pioneering season *Rooms* in September 2020, where over 200 tickets were sold resulting in a very successful start to our Digital offering. We will continue this work in 2021 with three different presentations from their Summer Livestream activity.

We were also delighted to be able to present a digital Christmas offering in partnership with **Lyric Hammersmith** and long term partners **Pins and Needles** with a production of *Raymond Briggs' Father Christmas*.

	2018/19	2019/20	2020/21
Total visitors to Wales Millennium Centre (Inc ticket buyers)	1,698,613	1,459,242	0
Donald Gordon Theatre: Number of performances **	317	266	0
Donald Gordon Theatre: Audience Numbers (Performances)	417,040	386,778	0
Donald Gordon Theatre: Number of Events ***	10	10	0
Donald Gordon Theatre: Event Attendees (where ticketed)	16,086	17,018	0
Weston Studio: Performances	104	96	0
Weston Studio: Audience Numbers	9,755	11,449	0
Ffresh Live: Performances*	61	64	0
Ffresh Live: Audience Numbers	5,359	5,750	0

** Donald Gordon Theatre 'Performances' includes: all productions curated by the WMC, productions in the Donald Gordon Theatre by residents (Welsh National Opera/National Dance Company Wales/BBC National Orchestra of Wales), arts/entertainment hires where all, or the majority of, the auditorium is 'sold' to the public.

*** Donald Gordon Theatre 'Events' includes: graduations, private hire award ceremonies and private hire 'audience' events such as Britain's Got Talent.

TRUSTEES' REPORT *(continued)*

4.3 INNOVATIVE WORK THAT SHOWCASES WALES TO THE WORLD

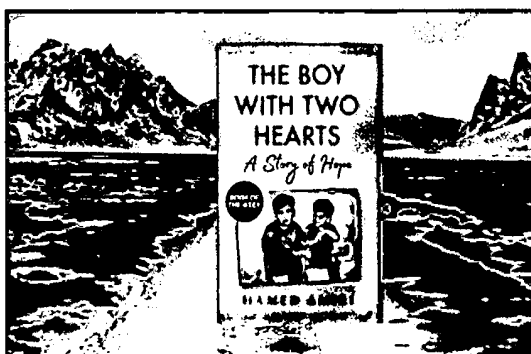
4.3.1 Productions

In addition to **Festival of Voice (FoV)**, Wales Millennium Centre (Limited by Guarantee) aims to produce two to three small to medium productions each year that will showcase Wales to the world and build our reputation as a creative producer.

During the year, work has continued behind the scenes on research and development for potential new work. As a result, Wales Millennium Centre (Limited by Guarantee) intends to create two new productions in the near future. The first of these, **The Boy with Two Hearts**, is underway, with thanks to a grant from Garfield Weston Foundation. This show will open at Wales Millennium Centre in October 2021, subject to the lifting of Coronavirus restrictions. The second, **Anthem**, will open in spring 2022.

The production of **Es and Flo** was due to be presented at the Edinburgh Festival this year, but this was delayed due to the pandemic and will now appear at the Edinburgh Festival in Summer 2022.

The Boy With Two Hearts



Written by **Hamed Amiri**, *The Boy With Two Hearts* was book of the week on Radio 4 in June 2020 and is being adapted by Hamed and writer **Phil Porter** into a stage show to open the **Weston Studio** in Autumn 2021.

When the Taliban gave an order for the execution of Hamed Amiri's mother, the family knew they had to escape. They started what would be, a long and dangerous journey from Herat, across Russia and through Europe, with the UK as their ultimate destination. The family's arrival in the UK became the beginning of a new journey through the treatment and complexities of Hamed's elder brother's serious heart condition.

The Boy With Two Hearts is a story of hope, one family's epic journey and a love letter to the **NHS**.

Anthem

What does our National Anthem say about us? *Anthem* is a Welsh Language comedy musical about nationhood, identity and what it means to be Welsh. Playing with the idea of TV talent shows, the rise of overnight celebrity and online influencers, this production blurs the lines between fiction and reality. Written by **Llinos Mai**, this production is a social commentary with a lot of heart, celebrating contemporary Wales.

Es and Flo

It's been 35 years since Es and Flo met as young women at the anti-nuclear peace camp at Greenham. They've been secretly living as lovers ever since. But the contentment of their hidden world is rocked as they approach old age.

Es is showing signs of dementia and Flo is adapting to the changing dynamics of their relationship. Suddenly, estranged family members, determined to have their say, intrude on the couple's private world. Time is quickly running out as Flo battles for control of their lives.

This sharply observed play featuring an all-female cast and directed by Traverse Theatre Associate Artist **Emma Callander**, takes a timely look at the intricacies of relationships and shines a light on love in all its forms, including the family we create for ourselves. It also honours one of the most significant chapters in the history of female activism; the Greenham Common Women's Peace Camp, which started as a peace march from Cardiff in 1981.

TRUSTEES' REPORT *(continued)*

4.3 INNOVATIVE WORK THAT SHOWCASES WALES TO THE WORLD *(continued)*

4.3.1 Productions *(continued)*

Festival of Voice

We see **Festival of Voice** as the Wales Millennium Centre event which speaks to all four of our strategic pillars. To inspire, be accessible and participative, and build our reputation as a creator of new creative work as the National Arts Centre for Wales. It encourages all of us to be heard, to use and celebrate the one instrument we all share. It seeks to give Wales a strong cultural voice in the world, as the best of Welsh talent sings and speaks out alongside voice which represent the best of the rest of the world, in many languages.

In 2020, **Festival of Voice** was due to be relaunched as an annual international festival, bringing artists and audiences together for four days of incredible live music, thought-provoking performance and inspirational talks. As with our other programming, the festival was cancelled due to the pandemic. Across the summer we worked with partners to develop **Gŵyl 2021** a digital festival, created in Wales, that speaks to the world. Undeterred by the challenges faced, the festival became a digital event, with funding from **Arts Council Wales**, **Cardiff Council** and the **British Council**.

One weekend. One location. A world of voices.

Four Welsh festivals connected in isolation to create an answer to the pandemic blues: a weekend packed with unforgettable music, comedy and conversation – filmed in locations across Wales and broadcast online by the **BBC**.



Gŵyl 2021 was a collaboration between **Festival of Voice**, **FOCUS Wales**, **Other Voices** and **Aberystwyth Comedy Festival**. Together we assembled some of today's most urgent and exciting voices, from inside Wales and beyond. The result was a digital experience like no other: a heady mix of cutting-edge comedy, thought provoking talks, energetic showcases and jaw-dropping headline sets.

In an era of physical distancing, **Gŵyl 2021** marked a coming together – of artists and audiences, Wales and the world. It recognised that, in speaking to the present and imagining the future, our collective voice is more than the sum of its parts.

Specifically, WMC created nine pieces of digital content from international artists like **Arlo Parks** and the **Paraorchestra** to local creative organisations like **Jukebox Collective** and our very own youth led Radio Station.

Gŵyl was a great opportunity for us to build new relationships and consider what might be possible in relation to the digital space for future festivals.

It is still hoped that **Festival of Voice** will become an annual international festival and will become Cardiff's signature cultural event.

4.3.2 Research & Development

This strand of our work enables us to provide support for artists and invest in ideas at an early stage. We continue to invest in R&D for our own productions but also to provide space and resources for a wide range of artists to play, explore and grow their own work. During the pandemic R&D on site has been limited, but we have opened our spaces when possible and provided much needed covid secure spaces for artists to work in. We have also contributed to R&D work progressing virtually online.

We have repurposed one of our largest meeting rooms, our Preseli room, into a full-time rehearsal space. This now provides a dedicated, fit for purpose space within the building from which to grow this element of our work.



TRUSTEES' REPORT *(continued)*

4.3 INNOVATIVE WORK THAT SHOWCASES WALES TO THE WORLD *(continued)*

4.3.3 Diverse Programming

During closure, we have had the opportunity to change the landscape of our offering to produce, programme and support a diverse range of productions. Our opening programme is full of joy, diversity and inclusion and a real celebration of our shift in direction, including **Asifa Lahore** - Britain's first out Muslim Drag Queen, **In the Sea There Are Crocodiles** an adaptation of the global bestseller by Fabio Geda which is raising money for the refugee charity Young Roots, and **Josephine** - a co-production with **The Egg Theatre in Bath** and **Oxford Playhouse**. **Josephine** is a family show exploring the story of Josephine Baker with themes of family relationships and identity.

We endeavour to provide programming in the Welsh language, and continue to expand our Welsh language programming by:

- supporting Welsh language partners' artist development programmes;
- supporting the development of new Welsh language productions;
- programming Welsh Language work in our cabaret programme,

We are currently working on 2 Welsh Language productions as part of our research and development strand: **Branwen (Cwmni Fran Wen)** and **Anthem (Llinos Mai & Roger Williams)**. In addition to creating Welsh language productions, we also work with partners to programme Welsh language work in the Weston Studio and Cabaret spaces and continue to champion bilingual work.

Artist Support & Development

In support of artist development, we have developed our producing output by investing resource (staff, financial investment, and in-kind support) into the realisation of creative ideas. Whilst the output will vary, at the heart of each of these productions are Welsh/Wales-based Artists and their innovative and exciting ideas.

Despite a reduced staff base, we have continued to provide support through our Open Office project providing the opportunity to meet new artists and provide advice and guidance. As with most of our projects this year, this was predominantly run online.

The last year has exposed the inequalities in our sector and many freelance artists and creatives have struggled throughout the pandemic, unable to develop their creative practice, finding themselves out of work and often ineligible for any of the emergency financial support schemes.



We have contributed to the efforts to address some of these issues by supporting three individuals to participate in the **Freelance Taskforce** as well as developing our **Creative Associates** programme which will start in May 2021.

A call out for **Creative Associates** was made in March 2021. To encourage a diverse and inclusive applicant pool, and to ensure accessibility, the call out was fully accessible and bilingual, as was the application process. Over 200 applicants applied, and 8 **Creative Associates** were appointed. The scheme is supported financially by the Cultural Recovery Fund and will run for two years.

In addition, we have invested in a number of artist development networks and projects for example;

- **Scribla** a project that aims to support the formation of a Butetown arts collective and to develop a close partnership with **HEC: The Heritage & Cultural Exchange (HEC)**, a community-based organisation that aims to fully chronicle the heritage together with the cultural diversity of Tiger Bay and Cardiff Docklands. The **HEC** archive will be used as a repository of inspiration, as a jumping off point to seed projects both physical and digital. The collective and its partners will work closely with the communities of Butetown to develop and grow the archive. This project is run by the **Scribla Collective**, managed by **Arts Shell** (an arts organisation based in Grangetown). The WMC have invested and provided support in terms of workshop space, producing guidance and the output will be incorporated into **FOV 2021**.

TRUSTEES' REPORT *(continued)*

4.3 INNOVATIVE WORK THAT SHOWCASES WALES TO THE WORLD *(continued)*

4.3.3 Diverse Programming *(continued)*

- **LOYALTY** a programme developed by artist **Connor Allen** to support the development of Black artists in Wales. **LOYALTY** provides bursaries to a group of artists and facilitates the sharing of skills and experience, alongside mentoring and workshop opportunities. The WMC have invested and provided support in terms of workshop space and advice.

4.4 RAISE THE ASPIRATION OF EVERY YOUNG PERSON IN WALES

4.4.1 Creative Learning

Delivering on our commitment to the Cultural Contract, our Creative Learning programme aims to engage young people in the arts, targeting groups of young people who would not otherwise have access. Our ambition is to make our creative learning programmes scalable by replicating them in other locations and/or making them available digitally to reach out across Wales.

Launched in 2020/21, our Creative Voice Advisory Group, formerly Learning Advisory Group, continued to meet during the year to support the design and development of a creative skills programme.

Members of the Creative Voice Advisory Board include:

- Create Jobs (London Creative Skills agency)
- Helena Gaunt – Principal, Royal Welsh College of Music and Drama
- Kay Smith – Bridgend County Borough Council
- Marc Jaffrey OBE – WMC Senior Advisor
- Nia Jones – Fran Wen
- Nicholas Batchelar – Former Director of Education and Lifelong Learning, Cardiff Council
- Nicky Goulder – CEO Create and WMC Trustee
- Pauline Burt – Ffilm Cymru Wales
- Professor Ian Hargreaves CBE - Professor of Digital Economy at Cardiff University and WMC Trustee
- Richard Morgan – Valleys Kids
- Sharon James – Vice Principal, Cardiff and Vale College
- Vivian Murinde – London Legacy

Throughout this year we have been focused on the design and delivery of our **Creative Voice** programme with the support of a panel of young people and a group of artist facilitators. We have now created a framework for our programme that can be delivered digitally across a multitude of art forms. 2020 saw us pilot 10 courses online and finalise our framework to be rolled out physically and digitally in 2021, when financial resources and COVID restrictions permit.

In addition to the Creative Voice Advisory Board, we have this year established a **Youth Collective**. This group offers young people the opportunity utilise the building to build transferable skills, discover interests involving the arts, collaborate with decision making bodies in Cardiff and inspire our agenda to be more aligned to the interests of young people.

We also worked closely with **Cardiff Youth Council** and **National Theatre Wales' Agency** project to amplify the voices of young people. Both groups created artwork that we displayed in prominent positions around the building, providing a window for them to showcase their work and, whilst at the same time animating our building whilst we are closed.

Radio Platform

Launched in 2017, our youth led radio station and training programme now has over 2,000 participants. Having proved successful at the Centre in Cardiff, a second **Radio Platform** was launched in **The Factory** in Porth towards the end of 2020.



TRUSTEES' REPORT *(continued)*

4.4 RAISE THE ASPIRATION OF EVERY YOUNG PERSON IN WALES *(continued)*

4.4.1 Creative Learning *(continued)*



Unfortunately, neither stations were able to broadcast from its usual physical location this year. Working with our creative learning team, our Station Manager and Broadcast Assistant were able to get equipment to the young people and the right IT support to enable them to broadcast remotely. Further developing the life skills learned during the programme, the young people quickly adapted to creating shows from their bedrooms. Throughout the year they grew the number of new shows being produced. On average throughout 2020/21, 23 shows were broadcast weekly with 11 new shows per week being produced at home.

"My life has changed completely - I made friends with people I met, went on to live with them and have a social life around it - it's a kind of butterfly effect, one small change effecting a much bigger change."

"I've sometimes had quite bad anxiety and speaking to people has sometimes been awkward, but it's really developed my communication skills, and thrown me in at the deep end - I've been able to teach other young people to share my experience. There are many other kinds of transferable skills and careers you could pursue as a result of Radio Platform: You could be a voice over artist, editing and transfer to film, getting into youth work, or helping you with everyday skills to help you in life".

The young people also worked with our partners **ProMoCymru** to design and deliver a digital version of our accredited Radio Production course and engaged with participants based as far away as France. The transition to digital was challenging but **Radio Platform**, led by the young people for young people, was a lifeline for many. In a hugely challenging year, Radio Platform enabled them to be creative and provided an outlet for their voices, whilst they continued their networking and training online through talks, programmes and events. For the first time this year, we were also able to facilitate a course with a Deaf participant using BSL and transcripts to support access.

It has become apparent that accessing **Radio Platform** has played a significant role in supporting young people at what, for some, was a difficult period in their life:

"I'd say Radio Platform is one of the things that has kept me going through the quarantine - it has hit people very hard in different ways."

Performance Platform

Performance Platform engages young people to develop life skills through the performing arts. This year, due to the Coronavirus pandemic, performance platform activity was restricted to our work with **Valleys Kids**.

Our partnership with **Valleys Kids in the Rhondda Valley, supported by the Paul Hamlyn Foundation**, continued this year. We were able to work with **Valleys Kids** to transfer workshops and creative work online, particularly in relation to our work with writer and artist **Bethan Marlow**. Last year, the group had begun using a co-construction model to create a joint performance project representing their response to 'Power' for **Festival Of Voice 2020** with **Bethan Marlow**. This is now being developed digitally due to the impact of COVID-19 and has been delayed until **Festival of Voice 2021**. It may also form part of the **Voices of Change** exhibition when the Centre reopens.

Digital poverty became more prevalent this year, with both home-schooling and other social activity moving online. We supported **Valleys Kids** to address issues of access due to digital poverty, by providing access to data and equipment for young people through our Creative Learning programmes.

TRUSTEES' REPORT *(continued)*

4.4 RAISE THE ASPIRATION OF EVERY YOUNG PERSON IN WALES *(continued)*

4.4.1 Creative Learning *(continued)*

Life Hack

Life Hack returned in April 2021, with support from the **Paul Hamlyn Foundation** and delivered by **Sparc** and our Creative Learning team. In a free digital format, *Life Hack* offered exciting workshops with industry professionals from the Creative Industries to anyone aged 14-25 years old across Wales. Workshops included Performance Design, Radio Drama, Comedy with comedian **Leroy Brito**, Theatre/Performance, Home Filming and **TikTok**.

22 participants attended the workshop event, 95% of attendees agreed/strongly agreed that *Life Hack* helped them understand what creative careers are available to them and 91% of attendees agreed/strongly agreed that *Life Hack* boosted their confidence. Feedback from the workshops included:

"It was very good, very entertaining and was absolutely phenomenal working with sound and music."

"Comedy workshop was interesting and educational, once I get more confidence, I might be a comedian"

"Was very fun to learn about new types of performance and it was very interesting to create something myself"

Sing Proud Cymru Choir

Sing Proud Cymru, our choir for those within the care-experienced community is delivered in partnership with **Voices from Care Cymru**. Through lockdown the choir has continued to meet weekly online and by working digitally has extended its reach across Wales. Participants who would not otherwise have been able to join in person, have been able to take part as a result of the virtual sessions.

Behind the Platform.

Apprenticeships

Wales Millennium Centre runs the BIIAB Level 3 Certificate in Technical Theatre: Sound, Light and Stage (QCF), Backstage Apprenticeship Scheme for Wales, a programme run in association with **Cardiff and Vale College (CAVC)** and **Welsh Government**. The programme is designed to create new routes into backstage careers, through practical work-based training. During the 10-month scheme pre Covid, apprentices split their time between work-based placements in theatres across Wales and training in essential industry skills and gaining knowledge at the Centre. Partner organisations involved in this programme include **Aberystwyth Arts Centre**, **Blackwood Miners Institute**, **Theatr Clwyd**, **Theatr Mwdan**, **Torch Theatre** and **WNO**. Throughout the pandemic, we have worked with our partners to ensure the Apprentices have been able to complete the theoretical side of their training and were able to find opportunities for them to complete the practical elements. The cohort of five completed their assessments in July 2020 and three are now working as casual staff members within our Technical and IT Teams.

We are committed to offering this apprenticeship scheme in 2021/22, subject to Government COVID restrictions.

Young Apprenticeships

Last year, in conjunction with **Cardiff and Vale College**, we commenced the development of the UK's first accredited creative junior apprenticeship course, to give 14-16 year old's a broad, hands-on experience and insight of what goes into making theatre, marketing, customer service and administration.

We look forward to revisiting this opportunity with **Cardiff and Vale College** in the coming year, and welcoming new participants of the junior apprenticeship course in the years ahead.

TRUSTEES' REPORT *(continued)*

4.4 RAISE THE ASPIRATION OF EVERY YOUNG PERSON IN WALES *(continued)*

4.4.1 Creative Learning *(continued)*

Maker Spaces

Maker Spaces are the physical and digital embodiment of our Creative learning programme and throughout the year we have been developing our vision for these spaces.



Our "Maker Space" project exists to support and enable us to expand our "Creative Voice" programme of training and workshops for young people and communities across Wales. The need for creative skills training has never been greater and the national arts centre currently has no permanent learning spaces for such a programme. The programme was piloted online in 2020 and will launch fully both online and in temporary physical spaces in WMC in 2021.

Across the year we continued to work with groups of people that will use the spaces, to create a vision for what they could be – spaces accessible to all equipped to allow the testing and creation of new work of all kinds, encouraging young people to experiment, explore, build, innovate and collaborate, ensuring we build skills as well as new work. The spaces will be at the heart of our building, visible and easily accessible to all, including residents, partners, schools and visitors.

At the end of the year, following a tender process via Sell2Wales, we secured the services of **Rural Office of Architects (ROA)** to lead a feasibility study for the Maker Spaces, co-designed with artists, young people and communities. This will lead to a set of Architectural Principles, to be delivered in February 2022, to underpin the design and build of the project.

We hope to continue to be able to engage with trusts and foundations with regards to our ambitions later this year, although most of the major capital programmes remain closed for now. When they reopen, we will work to show them the impact of our project for Wales and its young people, giving them skills for life.

4.5 BE ACCESSIBLE TO EVERYONE IN WALES

4.5.1 Participation and Community Engagement Strategy

The main themes of our Community Engagement Strategy are:

- Building a more representative workforce.
- Building a more diverse programme including original work by, and for, communities.
- Building a fair community ticketing scheme.
- Giving opportunities to build community voice and representation.

During this year, we have focused on the opportunity to build community voice and representation. Whilst the building has been closed, we have been able to repurpose spaces to serve communities and to use the physical infrastructure as a resource for amplifying different voices.

- Building a more representative workforce.
 - Creative associates, Apprenticeships, Development of Maker Spaces, Volunteering, Mentoring programme
- Building a more diverse programme including original work by, and for, communities.
 - Community Banquets, Butetown Carnival, Your Voice Exhibition
- Building a fair community ticketing scheme.
 - Community Ambassadors and Community Seating, Hynt, Discounted ticket prices for community
- Giving opportunities to build community voice and representation.
 - Partnerships with Butetown community, Valley Kids, Art exhibitions throughout lockdown, Youth Collective.



TRUSTEES' REPORT *(continued)*

4.5 BE ACCESSIBLE TO EVERYONE IN WALES *(CONTINUED)*

4.5.2 Diversifying our workforce

We want Wales Millennium Centre to be a home for all – embracing and involving everyone, irrespective of differences, for who they are as an individual or group; but we must do more to encourage access to different people from a range of backgrounds to join us.

During 2020, we published our Diversity Action Plan, which outlines the steps we are taking to make our programme, our workplace and our building more inclusive and representative. We pledge to work collectively to dismantle any structural inequality that has meant that we have not always been as welcoming and inclusive as we would like to be.

We are in a privileged position and acknowledge our role in leveraging our power every step of the way. We recognise the importance of intersectionality and the role that underrepresented protected characteristics play, in the experience of inequality.

Our organisation, like many in the arts, has long been dominated by white, middle-class people, and our staff and audiences are not as representative or as reflective of Wales as we would like. We are working hard to change this, and to ensure that our culture and attitudes are actively anti-racist. Diversifying our workforce is one of the streams of work within our diversity action plan, which includes the following actions:

1. Building the foundations:

Through workshops with **Privilege Café** and **Folk Training**, we have discussed themes such as privilege, structural inequality, and being an ally. Our training includes listening to the lived experiences of our colleagues. Change and growth cannot happen without real conversations and openness to differing opinions. We accept the challenge to achieve positive change for all. We have started our journey and will continue to drive an understanding of why we need to have a clear commitment to making this change happen at all levels. This journey does not stop.

2. Making space for voices:

We continue to work on building a positive employee relations climate, improving communication and engagement. If issues are identified, we will commit to finding out how we can do better. WMC is proud of its diverse and skilled workforce. We will be respectful and listen to those voices to be inclusive.

We have developed our relationship with **Job Centre Plus**, local employment mentors, **Careers Wales**, and others to continue to discuss how we work with young people who feel marginalised and unable to secure work in the arts sector.

3. Making it work:

We know that terms and conditions of employment and the workplace environment are vital in combatting systemic inequalities. We are committed to discussion with partners at **Citizens Cymru** to work towards signing Community Jobs Compact. This will help to signpost jobseekers to our roles, improve the way we promote WMC in the community and offer support to local people with applications and preparing for interviews.

We want to open opportunities for talented people from diverse backgrounds, nurturing creativity and providing opportunities for development and employment.

Leadership and workforce key highlights:

- Staff training has been a key part of our action plan to help build allyship, allowing us to be more accessible both as a place of work and as a home of the arts. Our training sessions have promoted diversity and educated our staff (including senior leaders and eventually trustees) about what diversity and inclusive thinking means to us in our day-to-day interactions with colleagues, customers, visitors, and stakeholders.
- The Arts and Creative team have reviewed the work done to date with a cross section of artists and audiences, to establish barriers to access, and to learn from our mistakes and our successes. Creative Associates will play a key role in reviewing work and providing feedback back on their own experiences.



TRUSTEES' REPORT *(continued)*

4.5 BE ACCESSIBLE TO EVERYONE IN WALES *(CONTINUED)*

4.5.2 Diversifying our workforce *(continued)*

- We will expand the Junior apprenticeships and technical apprenticeships to broaden the departments offering such opportunities.
- A revised work experience framework was completed in 2020 to improve the applicants' experience. We want managers to see this as a great opportunity to engage and understand barriers.
- The Centre is currently reviewing all HR and employment policies during this period, and an Equality Impact Assessment was completed for each, to ensure fairness and accessibility to all. We have made every effort to ensure policies are written in clear language without jargon.
- We have adopted various practices to support financial wellbeing among our communities over the years. We have paid real Living Wage since 2019 and signed up to the Living Wage Accreditation in 2021. We will continue to pay living wage to all directly employed staff, subject to affordability. We will have a condition for all future tenders that priority will be given to contractors who pay the real Living Wage and keep championing WMC as a living wage employer, assuming all other tender requirements are met.
- We have invested in improving our recruitment practices and systems. We will make information about vacancies more widely available and have introducing name-and-address-anonymised CVs to our recruitment process and taken away the application form.
- Our HR team will provide pre-application training for under-represented groups who want to apply to join us and will use positive action, where appropriate, to ensure a Black, Asian, and ethnically diverse range of candidates are represented.
- We have invested in and support the Wales Culture and Race Taskforce and listen to the guidance that comes from the taskforce. This will help us to continue to build on our practice and make us accountable to Black, Asian, and ethnically diverse people who have felt unable to work or engage with us or the sector as whole.
- We have improved our data capture so we can better track the diversity of the individuals with whom we engage. We have established data capture systems to collect information from visiting companies in line with Equality monitoring.
- We have successfully built partnerships with organisations such as Stonewall Cymru to make our organisation a supportive workplace for our employees.
- We continue to be a Disability Confident Employer and received Level 1 & 2 in 2019/20. Our HR team meet with JCP monthly to review actions within the framework as we move towards Level 3 accreditation. A key driver for this plan is listening to our own employees with disabilities.

4.5.3 Participatory budgeting

We have used this democratic model to curate three different public art installations across our site during lockdown, all in prominent positions that would normally have been taken up as prime advertising space for commercial producers.

Public Art

Alongside our participatory budgeting projects, we have also commissioned more public art pieces from local artists and young people to animate our public spaces. We have worked with **Cardiff Youth Council**, **Mycelium** and **Nathan Wyburn** on these exhibitions.

We also launched ***Voices of Change*** in April 2020. This is a programme inviting everyone and anyone to send us their creative work reflecting on their hopes and dreams post pandemic. The plan is to fill our building with the voices of all the different communities with whom we engage when we reopen our building in an exhibition under the new name Your Voice.



TRUSTEES' REPORT *(continued)*

4.5 BE ACCESSIBLE TO EVERYONE IN WALES *(CONTINUED)*

4.5.4 Our Exhibitions



In 2020/21, we displayed work in the public spaces that could be viewed from outside the building while we were closed. The work was created by a diverse range of artists on multiple themes including:

- An exhibition from Zaid Djerdi of images from Black Lives Matter protest in Cardiff
- Work by Mycelium a group of young people working with National theatre Wales' Agency project (*The Agency* works with people aged 15-25 from Butetown, Riverside and Grangetown providing training, support, funding and advice from industry professionals to develop community projects).
- Cardiff Youth Councils *Welcome to Tiger Bay* and installation for Black History Month celebrating a range of Black individuals and their social and civic achievements.
- A large-scale artwork from local artists Kyle Legall *We are the World We are the Children*
- A co-commission with Cardiff and Vale University Health Board *Words Bruise* from artist Nathan Wyburn drawing attention to the online abuse received by health care workers during the pandemic
- A Christmas installation of lanterns created by two local artists alongside our volunteers and community groups
- Hijinx's 12 Days of Pawb exhibition showcasing their work with neurodivergent performers
- A photography exhibition from Black, Asian and Ethnically diverse students in around Cardiff, working on a photography course with Coleg Gwent.

4.5.5 Accessibility for audiences

Physical access

Accessibility has always been critical to our success and forms an integral requirement of our revenue funding agreement with **Arts Council Wales**. In 2019/20 we sold 7,500 tickets through the Hynt ticketing schemes, which is a national access scheme ensuring that there is a consistent offer available for visitors with an impairment or specific access requirement.

Whilst we did not have any live performances this year, we continue to negotiate with producers to ensure that physical accessibility is included as part of our contractual terms with them. A relaxed performance of the *Lion King*, which is coming to our stage in Summer 2022 has already been agreed.

Economic Access

Whilst we continue to develop demand based dynamic pricing for our commercial shows in the Donald Gordon Theatre, we will ensure that entry level ticket prices are not affected. Where contractual terms permit, we offer discounted tickets to community groups and young people to increase accessibility and enhance our audience diversity.

TRUSTEES' REPORT *(continued)*

4.5 BE ACCESSIBLE TO EVERYONE IN WALES *(CONTINUED)*

4.5.5 Accessibility for audiences *(continued)*

We have also negotiated with a number of our producers to ensure that a minimum number of tickets are granted to us for use as part of our community ticketing scheme. This allows us to offer £5 tickets to those least likely to be able to afford the cost associated with experiencing high quality shows on our main stage.

Whilst we are closed, with funding from Cultural Recovery Fund via **Arts Council of Wales**, we are installing a row of Community Ticketing Programme seats. This will enable us to provide a significantly increased number of affordable seats for communities, young people and artists each year.

Our community ticketing scheme is being designed and implemented with our community ambassadors to ensure it is fit for purpose. This project will enable us to continue to enhance our audience diversity and improve accessibility to the arts, in line with our objectives and the Cultural Contract.

We will continue to offer innovative pricing strategies in our Weston Theatre and ffresh venue, as we have done in recent years, to ensure that the arts are accessible to all.

4.5.6 Volunteers

Our volunteer scheme, which was launched in 2017, had more than 250 committed and hard-working volunteers at the point we went into lockdown. They volunteer in front of house predominantly and are an invaluable part of our excellent customer service.

However, last year we introduced two new voluntary roles; one within the Development team, supporting the membership team, and one working with the Community team, acting as an ambassador to raise awareness of our community ticketing scheme.

A survey took place in January 2020, before the Coronavirus hit, which asked what they gained from their work with us, spoke volumes:

"Gaining confidence and the ability to communicate, thus leading to the success of being able to meet new people (other volunteers), which in turn has made me feel a part of a team."

Volunteer, aged 21-24

"Working with [a] diverse range of people with the same aims. Hearing stories as to why they've volunteered... whether it's to get experience to further careers, through loneliness / retirement / redundancy."

Volunteer, aged 45-49

We are delighted that 180 of our original volunteers have already confirmed their desire to return to their volunteering roles at the Centre. In July/August 2021, we will launch a new recruitment plan for additional volunteers in line with our diversity action plan, which will focus on Welsh speakers, young people and people from our local community in preparation for the Autumn reopening.

We continued to engage with our Volunteers during the pandemic including:

- Held online volunteer update sessions, following all staff meeting to ensure the same information was being fed back to the volunteers regarding re-opening
- Introduced some new online training modules, to help them stay refreshed and interested whilst we were all still on lock down
- Created fortnightly volunteer updates on all things Centre related as well as key things coming up for them.
- Opportunities to join some creative learning work shops



TRUSTEES' REPORT

4.5 BE ACCESSIBLE TO EVERYONE IN WALES (CONTINUED)

4.5.6 Volunteers (continued)



Here are few examples of comments from our Volunteers:

"Just a quick reply to thank you all for the recent training sessions. They were fab and I felt privileged to be wandering around the Centre again."

"I really enjoyed the session - tons of interesting information and a really positive approach to this awful situation."

Retraining began for all returning volunteers from mid May 2021 which resulted in some very exciting comments:

"I'm so excited to know we will see each other soon"

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE

4.6.1 Fundraising

This was an extremely challenging year as a result of the Coronavirus pandemic. All potential sources of support were impacted, and the remaining development team worked tirelessly to find additional funding. We eventually raised £1m in addition to £3.9m in emergency funding from the first Cultural Recovery Fund via **Arts Council Wales**.

We were successful in agreeing £146k of trust and foundation support from **Paul Hamlyn, Moondance, Garfield Weston, Simon Gibson, Clive and Sylvia Richards and John Thaw**, as well as £225k from **Welsh Government and Arts Council Wales**. On top of this, we raised £337k from **Arts Council Wales, Cardiff Council and the British Council** to support a new digital **Festival of Voice**. Corporate members remained with us where they could, but many of our corporates were hit hard by the pandemic and were unable to renew. However, we gained a new corporate partner during the year, **Admiral**.

Whilst donations increased in 2019/20 following the introduction of a donation screen on our website purchase path, the success of this functionality limited in 2020/21 due to the comparably small value of ticket sales during the year following the closure of the theatre and uncertainty around when it would reopen. However, our customers showed their support to us when shows were cancelled. Despite their obvious disappointment, many customers gave donations when shows were cancelled or moved. Whilst commercial activity was halted, our charitable purpose and ambitions took the limelight resulting in very generous individual donations. Many of our members and donors remained loyal to us. Along ticket holder donations, a total of £204k was generated from members and donors.

We would like to thank each and every one of our supporters who continue to give generously to support our work with young people, communities and creatives, ensuring that we are able to make the arts accessible to all and develop creative talent in Wales. We were overwhelmed by the messages of support and encouragement that we received throughout the past year. We could not have made it through this crisis without this support.

The team continues to review and update its ethical policy for corporate relations, fundraising practice in relation to General Data Protection Regulations (GDPR) and collection of Gift Aid. We continue to work with the Fundraising Regulator to ensure good governance in fundraising.

TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE *(continued)*

4.6.2 Partnerships

Working in partnership is integral to the work that Wales Millennium Centre undertakes. We put collaboration and co-production at the heart of our vision, facilitating relationships and connections that can leverage resources to increase participation in creative and cultural life.

International Partnerships:

- **Jodhpur Riff Festival**
Festival of Voice has an ongoing partnership with **Jodhpur Riff** in 2020 and 2021, bringing together artists from India and Wales in a cultural exchange.

National Partnerships:

Residents

We continue to meet regularly with the Centre's resident companies to further enhance the offer of WMC as a creative campus. Meetings this year have been predominantly virtual.

- **Urdd**
- **NDCWales**
- **WNO**
- **Ty Cerdd**
- **Touch Trust**
- **Literature Wales**
- **Hijinx**
- **BBC NOW**

Education and Creative Learning

Royal Welsh College of Music and Drama - National Conservatoire of Wales providing specialist training.

We work with RWCMD in a number of ways primarily supporting the MA in arts management hosting placements and guest lecturing.

Cardiff and Vale College - delivers high quality training and education within the Capital Region of Wales.

We work in partnership with Cardiff and Vale College on our technical apprentice programme, the development of junior apprenticeships and also developing in-house training for staff and volunteers. Cardiff and Vale College offered numerous free virtual training courses to support our staff during the past year.

Valleys Kids - an innovative community development organisation working across the South Wales Valleys.

We have a substantial and long-standing partnership with **Valleys Kids** that has resulted in major transformational change for Wales Millennium Centre. Together, we are developing our artistic practice with young people, with opportunities for staff from both organisations to work together and learn from each other. **Together Stronger** has been the catalyst for wider change across both organisations.

Community

ProMo Cymru - a creative organisation working to ensure young people and communities are informed, connected and heard. We work with them to develop and deliver programmes within our Creative Learning work including our accredited Radio production course and youth led Radio station.

Voices from Care - Brings young people together throughout Wales who are or have been looked after.

We have worked with them on a range of projects, most significantly, our ***Voices from Care choir***.



TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE *(CONTINUED)*

4.6.2 Partnerships *(continued)*



Butetown Arts and Cultural Association (BACA)

We partner with BACA on their annual Carnival celebrations and have developed our relationship with them to support their ambitions to grow the art form and reach of Carnival.

Oasis Cardiff - is a non-profit charity that aims to help Refugees and Asylum Seekers in Cardiff.

We work with them on a number of community programmes as well as working with their catering team to provide food at our *Festival of Voice* and as part of our *Community Banquets*.

FareShare Cymru - aims to help vulnerable groups, whether they are homeless, elderly, children, or other groups in food poverty within our communities.

We have worked with **FareShare** as part of our community banquets and during lockdown in 2020 providing food for their projects.

Creu Cymru - Is the national member organisation for theatres and performing arts centres in Wales.

We work with them to collaborate, advocate and share information and resources with other venues across Wales.

Food Cardiff - Good food creates strong healthy communities. **Food Cardiff** encourages us to understand the impact that food has on our lives, communities and city.

We work with them on our *Community Banquets*.

Wales Tamil Sangam

We work with this group on a variety of projects including the celebration of **Tamil New Year** and **Diwali**.

Splott Community volunteers

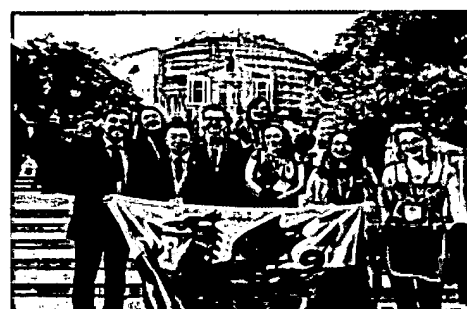
Support their local community providing breakfast clubs, events and projects to bring people together.

UK Partnerships

Education and Creative Learning

Future Generations Commissioner

Helping public bodies to think about the long-term impact their decisions have, we collaborate closely with Future Generations Commissioner including our very own Radio Platform Station Co-Ordinator participating in the Future Generations Leadership Academy.



Action for Children

Protect and support children and young people, providing practical and emotional care and support, ensuring their voices are heard, and campaigning to bring lasting improvements to their lives. We have worked with them across our Creative Learning programmes.

Create Jobs

An employability programme, part of **A New Direction**. We work with them on the development of our Creative Learning programme and have partnered on projects such as Meet a Mentor, pairing young people with industry professionals.

TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE *(CONTINUED)*

4.6.2 Partnerships *(continued)*

Community

The Fostering Network

We have worked with the UK's leading fostering charity on a variety of projects, most significantly our *Voices from Care Choir*.

Producing

Dance Consortium

With a shared passion for engaging people with contemporary dance from different parts of the world, the **Dance Consortium** is a group of 20 venues across the UK. We work together to find dance companies and productions that will excite, challenge, entertain and inspire audiences.

UK regional theatre venues

The UK regional theatre venues collaborate with each other to share best practice, key challenges and opportunities.

4.6.3 Awards & Accreditations

As part of our vision to **Inspire our Nation and Impress the World**, we are developing our reputation through recognition via selected awards and accreditations. The Centre has recently gained accreditation as a Real Living Wage Employer.

4.6.4 Tessitura Consortium

The Centre was the first licensee of the **Tessitura** software in Europe and also the first to establish a consortium to share the software with others in the UK. The **Tessitura** Network enables arts, cultural and entertainment organisations around the globe to operate more efficiently by offering products and services specifically for their business needs. Tessitura is our core Customer Database. It's used to manage all customer data including ticket sales, memberships, marketing campaigns, fundraising, e-mailing lists, community outreach data, reporting. It's the central system for Wales Millennium Centre.

Having used the same system for over 15 years, the Centre undertook a competitive assessment of our Customer Relations Management system, **Tessitura**, by conducting a formal procurement process with a ticketing consultancy, The Ticketing Institute. The project's aims were to future-proof the system, to ensure it will support our digitisation objectives, that it has capabilities for integrations with our finance system and EPOS, and a cloud-hosting solution for enhanced disaster recovery and data security.

After reviewing five other systems and their existing capabilities, **Tessitura** was confirmed to be the best-fit for a one-system approach. Given the economic uncertainties due to the pandemic and no clear benefit to change, the procurement was paused. We chose to remain with **Tessitura** as the lowest-cost, lowest-risk selection and move to their cloud-based hosting solution to improve system efficiencies and disaster recovery.

Recognising the impact of the Coronavirus pandemic on Wales Millennium Centre, we are grateful to Tessitura for agreeing to an alternative charging mechanism this year to reduce the contractual cost of the system for the year.

Several of our Consortium Partners also used this time to review their system. **Liverpool Everyman & Playhouse** had previously carried out their own procurement and chose to remain with **Tessitura** but upgraded their relationship to become an independent master Licensee in September 2020. **National Theatre Wales** have chosen to move to **Spektrix** and will leave by end of Summer 2021. **BBC National Orchestra of Wales** are still exploring their options but also plan on out-sourcing their ticket-sales and CRM function by the end of Summer 2021. **Welsh National Opera & National Dance Company of Wales** remain Consortium Partners.



TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE (CONTINUED)

4.6.5 Digitisation

We continue to develop our online channels to promote our new brand identity, share our digital content and drive operational efficiencies and environmental sustainability. Using a digital first customer service strategy has facilitated our move to a more agile business model. Key developments this year have been:

- Enhanced e-commerce and digital ticketing to improve efficiencies, environmental sustainability, and the customer experience
- Reduced pressure on the call centre
- Hynt tickets are now available online to enable customers with Access needs to book their free carer tickets online securely.
- Improved member experience and retention with implementation of online direct debit option as method of payment
- Expanded online presence and reach so that we can showcase our work across the nation and worldwide
- Improved the communication of our mission, to ensure that we present a holistic picture of our impact including our charitable impact and artistic achievements
- Minimised face to face contact in light of necessary COVID-19 safety measures for when we reopen
- Automation of standardised emails for ticketholders and members
- Automation of mass cancellations, mass refunds and rescheduling of shows.

During the Coronavirus pandemic our digital platform, along with its self-service and e-ticketing functionality and blog section has been essential to the smooth running of the organisation. With the call centre closed and our new improved digital platform, all new ticket orders were transacted through the website. There have been significant markers of success for the digital platform during this financial year. These include:

- £2.2 million in sales, from 16,849 transactions
- Average order value increased on previous year from £108.40 to £132.81 (23% increase)
- Half a million pounds taken on 31st March 2021 (Beauty & the Beast public on-sale day)– the busiest single day for web sales since November 2019
- 37,000+ emails received
- 450+ performances cancelled or rescheduled
- We exchanged and refunded 300,000+ tickets, and we responded to more than 30,000 emails, with a skeleton staff.
- £17,448 gathered in customer donations across 3,003 transactions
- The proportion of web bookers including a donation more than doubled from 7% to 18% year on year and the average web donation amount increased from £3.70 to £5.81.
- Upheld our reputation for world-leading customer service!

4.6.6 Digital Engagement

We have continued to develop infrastructure to improve key messaging and provide digital creative content. The digital and content team have been focused on maintaining our platforms, publishing monthly blogs about the work being done behind the scenes and with our local community and young people.

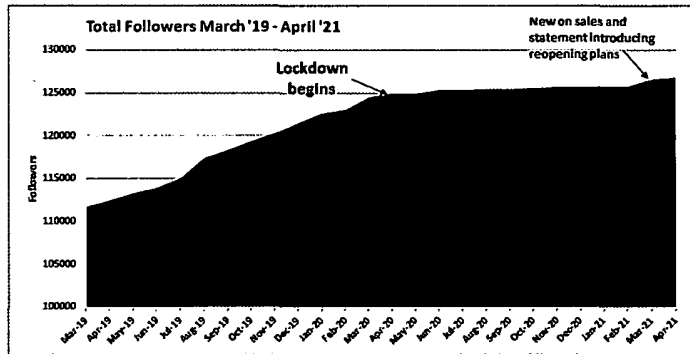
Remaining active on social media has ensured that our social media audiences have been maintained throughout the pandemic.



TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE (CONTINUED)

4.6.6 Digital Engagement



Social Media Posts

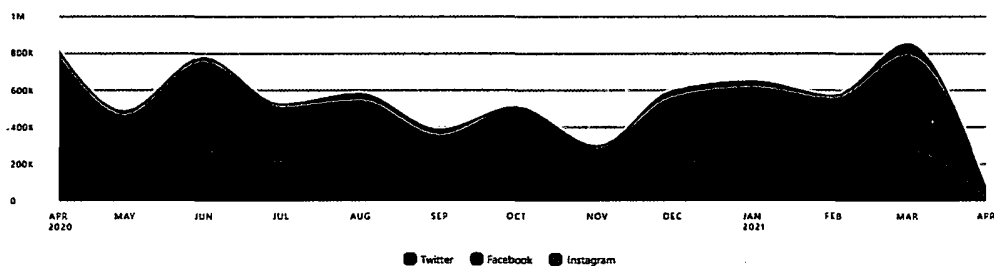
	2019/20	2020/21
Facebook	785	256
Twitter	3,040	832
Instagram	553	115

As there has been less focus on selling shows, we have taken the opportunity to tell our story, communicate our vision and build our communities online. We also communicated the multiple changes to our programme, to ensure we supported our audiences and producers. Volume of activity on social media was therefore significantly less than the previous year. Whilst total engagement declined due to the lower number of messages posted, actual engagement per impression increased by 22% compared to the previous year.

Impressions

Review how your content was seen across networks during the reporting period.

Impressions, by Month



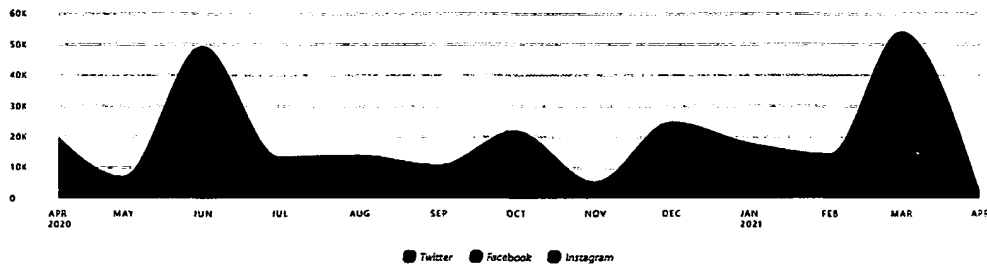
Impression Metrics	Total	% Change
Total Impressions	7,138,300	↗82.8%
Twitter Impressions	2,753,322	↗55.5%
Facebook Impressions	3,093,381	↗87.3%
Instagram Impressions	391,597	↗85.7%

TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE (CONTINUED)

4.6.6 Digital Engagement (continued)

Engagements, by Month



Engagement Metrics	Total	% Change
Total Engagements	255,204	↗ 78.8%
Twitter Engagements	70,527	↗ 36.3%
Facebook Engagements	162,244	↗ 84.2%
Instagram Engagements	16,433	↗ 44.7%
Engagement Rate (per Impression)	3.6%	↗ 22.9%

The social media post which generated the most interest, in terms of engagement, related to our extended closure in June 2020 and our reopening and on sale announcements in March 2021.

Wales Millenni...
Fri 6/12/2020 3:46 am PDT

With much regret, we have closed Wales Millennium Centre until at least January

Total Engage... **29,659**

Reactions **5,745**

Comments **1,439**

Shares **1,309**

Post Link Clicks **516**

Other Post Clicks **20,650**

Wales Millenni...
Mon 3/15/2021 3:05 am ...

! Be Our Guest ! Disney proudly invites you to 'Be Our Guest' as the most enchanting

GET YOUR WORRIES OFF YOUR

Total Engage... **29,095**

Reactions **1,524**

Comments **4,058**

Shares **420**

Post Link Clicks **4,651**

Other Post Clicks **18,442**

TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE (CONTINUED)

4.6.7 Digital Content

We presented an innovative online performance from **The Rambert** and supported **The Lyric Hammersmith** on their Christmas performance of **Father Christmas**. We also provided a booking service for digital workshops within our Creative Learning curriculum.

	2020/21
Digital: Performances	1
Digital: Audience Numbers	201
Digital: Workshops	33
Digital: Workshop Participants	181



Thanks to support from the **Garfield Weston Foundation** and **Arts Council Wales**, we have been able to maintain some progress in developing digital content and experiences during the past year. We have employed a senior digital producer to lead on this work. Their first project was to deliver a filmed, digital programme for **Gwyl 2021**; a digital festival broadcast on **BBC Wales'** platform which brought together four Welsh festivals including **Festival of Voice**. Most users viewed content over the festival weekend itself despite sets being available for 37 days thereafter. We will be conducting further R&D tests, streaming content using a variety of paid, broadcast, and digital only models, to inform our future strategy. We have also commissioned an immersive digital experience which will run alongside our autumn production, **A Boy with Two Hearts**.

We continue to investigate digital platforms to support our digital content and e-learning work, which will allow us to:

- Expand our online reach so that we can showcase our work across the nation and worldwide
- Make our learning programmes available across Wales and beyond
- Collaborate with artists across Wales and internationally. Our ability to expand in this way will depend on additional funding.

Our future Front of House upgrade will also provide huge opportunity for broadcasting creative content.

4.6.8 Front of House redesign

The plans we developed for the renovation of the Front of House had to be put on hold in March 2020 due to the Coronavirus pandemic. However, we remain committed to this project. During the year we have revisited and amended the plans following the loss of all our commercial income, in order to progress the work in phases, in line with affordability.

The objectives of the front of house redesign project remain unchanged:

- To create an environment which encourages people to dwell, enjoy the venue and experience a range of artistic offerings
- To improve our communications by providing a showcase for our charitable impact and artistic achievements
- To increase revenue generation by upgrading our commercial offer in line with our brand identity

During the year, we have also developed new studio and rehearsal facilities in 'pop up' format by repurposing front of house meeting rooms. This will improve the facilities available to artists and young people, so that they can develop new work and learn new skills onsite. This will allow us to prototype the ideas we have for creating 'makerspaces' on a larger scale, so that we can provide evidence of its value to prospective funders.



TRUSTEES' REPORT

4.6 BE CELEBRATED AS A WORLD LEADING PERFORMING ARTS CENTRE (CONTINUED)

4.6.8 Front of House redesign

These rooms have already been used by the local community and the creative teams when restrictions have allowed.

Architects, **Rural Office of Architects**, were appointed during the year to undertake a feasibility study, in collaboration with young people, stakeholder, communities and artists in the development of a suite of *Maker Spaces*. The purpose is to provide a physical and associated digital space through which to deliver its creative learning activity and part of its Communities programme.



TRUSTEES' REPORT

5. Financial Review

- 5.1 During the year, the Charity had income of £10.2m (2020: £22.4m) and incurred expenditure of £9.2m (2020: £23.8m). Expenditure includes depreciation and amortization of £2.2m (2020: £2.2m) both of which are non-cash items.

The financial year therefore shows a surplus of £2.3m (before depreciation and amortisation), which might appear contradictory to the statement that the objective this year was that of survival.

Although part of the reason for this is tight control of spending until a reopening date was in sight, the majority of the accounting surplus was the consequence of accounting policies and timing. The Cultural Recovery Fund Grant was paid to support WMC through the pandemic. This grant income has been recognised in full in the financial statements in the year of receipt, the year ended 31 March 2021.

The pandemic hit WMC harder than we had initially anticipated and whilst we had hoped to open by Spring 2021, the national lockdown in December 2020 resulted in reopening being delayed to Autumn/Winter 2021 at the earliest. All exceptional costs associated with the reopening which were covered by the Cultural Recovery Fund grant were therefore delayed, including costs associated with the safe return of staff to offices, artists and the general public to the building and the reopening of our theatres.

As the apparent surplus in 2020/21 was created as a result of accounting policies in respect of Cultural Recovery Fund grant income, and timing, we may expect a similar accounting deficit to be generated in respect in the next financial year, with costs being incurred within 2021/22 which have been funded by income recognised in 2020/21.

5.2 The Charity's principal financial management policies are:

- To meet the annual operating budget, capital plans and cash flow;
- To manage Charity's reserves in line with **Charity Commission** guidance and our three-year strategic plan;
- Applying cash surpluses to ensure the maintenance and development of the Charity and to invest in furtherance of the charitable objectives;
- Establishing financial, creative, business planning, marketing, commercial, personnel and fundraising policies to assist the Trustees in meeting their objectives, in keeping with best corporate governance and practice standard;
- Adoption of corporate governance and environmental policies to best practice standards.

- 5.3 The current annual **Arts Council of Wales (ACW)** revenue funding agreement to 31 March 2021 (£3.6m) enabled the Charity to meet its contractual obligations, under a 'survival' model, throughout this year, and deliver on its objectives.

There is a 50-year capital asset plan for the Charity that indicates an annual repair and maintenance need of circa £500k. **ACW** had agreed an annual capital subsidy of £300k per annum, for the year ended 31 March 2021. This capital grant, along with a continued capital maintenance contribution from the Charity and its Residents will enable the building to be maintained in line with the Capital 50 plan in the medium term. Due to the loss of all commercial revenue in the year, capital asset repairs and maintenance were minimised as far as possible (£338k). As a result, additional funds have been designated to ensure adequate investment in the charities assets in the coming year.

- 5.4 The **UK Government** announced a rescue package for the Arts & Heritage sector in July 2020. **Welsh Government** subsequently announced the Cultural Recovery Fund, applications for which were invited in August with confirmation of outcome communicated in October. The central purpose of this fund was to sustain organisations affected by Covid-19 until they can resume publicly accessible activity in 2021 and beyond and to provide a rescue and recovery package providing an opportunity to help deliver transformational change to the reach and impact of the arts.

One of the conditions of receiving the Cultural Recovery Fund grant was to sign up to the new 'Cultural Contract'. The 'Cultural Contract' was designed to ensure that public investment is deployed with a cultural and social purpose, and as organisations adapt to new ways of working that they are encouraged to:

- Establish new ways of working and ensure greater diversity.
- transform the future reach and impact of their activities
- improve the diversity of their boards and workforce
- commit to fair rates of pay, and provide new opportunities for freelance artists
- improve the environmental impact of what they do



TRUSTEES' REPORT

5. Financial Review (*continued*)

Organisations also had to demonstrate a forward-looking commitment to the principles of the **Welsh Government's Wellbeing of Future Generations Act (Wales) 2015**.

Wales Millennium Centre were successful in their application to the Cultural Recovery Fund and received a revenue grant of £3.4m and a capital grant of £0.5m in October 2020. The revenue element of the grant protected an additional 26 roles within the organisation for 12 months, funded the reorganisation that was required to reduce fixed costs during a period of no commercial revenue, funded a two-year **Creative Associates** programme and funded the exceptional costs of reopening. The exception costs of reopening, originally expected to be incurred in 2020/21, have not yet been spent due to delay to the reopening of the building following new Government enforced restrictions. These costs will be incurred in the months prior to the theatre reopening, which will now occur in 2021/22.

- 5.5 The Trustees have reviewed the Charity's needs for reserves in line with the guidance issued by the **Charity Commission**, and in light of the Coronavirus pandemic. Trustees have determined that an appropriate level of free reserves under normal circumstances, to address operational risks for the management of unexpected reductions in income or increases in expenditure, should equate to three months running costs (£1m currently, pre closure £1.9m) taking account of the current economic conditions and business model. However, trustees recognise the high level of uncertainty as to when theatres will be permitted to reopen in Wales without social distancing, and as such recommend holding sufficient reserves to protect the future of WMC until it can generate commercial revenues once more.

Whilst WMC received emergency funding, the trustees are committed to ensure WMC, the national arts centre for Wales, survives this pandemic. This requires sufficient reserves to be maintained to cover contractual and 'reduced' fixed costs until such time as commercial revenues can be generated. At 31 March 2021 there is no confirmed date for theatres to reopen without social distancing in Wales, nor any further funding confirmed, despite the Christmas lock down continuing. Despite a successful vaccine programme, the First Minister has indicated that social distancing is likely to remain in place for the whole of 2021. As the commercial theatre cannot operate economically with social distancing in place, unrestricted reserves are retained at a level to be able to survive the anticipated period of restricted operations and lost commercial revenue. As such, an additional six months running costs (£2m) are to be held in unrestricted reserves, in addition to the £0.7m capital maintenance and £0.5m reorganisation reserve requirement, until a reopening date has been confirmed.

Free reserves at 31 March 2021 stand at £1.9m (2020: £1.7m). The current free reserves position is calculated using the Net Current Assets of £3.6m plus £0.7m investment account, less the amount of designated funds of £2.4m (2020: £1.6m). The Trustees have designated half a million pound of reserves to fund the additional reopening costs which will be incurred prior to commercial revenues commencing, along with £0.7m for essential capital maintenance.

The ability to establish financial reserves is a consequence of achieving an operating surplus in any given year. It is not anticipated that a surplus will be achievable until commercial operations can resume in an economically viable way. A surplus is not expected until 2022/23.

Our reserves policy in normal times is to allocate surplus to capital maintenance in the first instance to maintain standards in the medium term and are then allocated in furtherance of the charitable objectives, primarily in respect of our creative ambition and in raising the aspirations of young people in Wales, including the proposed development of capital investment to create **Maker Spaces** to help facilitate this ambition.

- 5.6 All theatre and commercial income ceased on 16 March 2020 following the UK Government announcement that theatres should close as part of its national lockdown against the Coronavirus pandemic. The principal funding sources within the business for the year ended 31 March 2021 (shown proportionately against total income) are theatre income 0% (2020: 59%); commercial income 7% (2020: 20%); donations and sponsorship income 4% (2020: 5%) and Grants, **Arts Council Wales** and Government support, including Coronavirus Job Retention Scheme 89% (2020: 16%). Finance & Audit Committee is responsible for providing oversight of the Centre's financial investment strategy to the Board. The investment objectives are to manage the Centre's long-term cash resources to generate income, within a prudent and careful strategy, taking note of any ethical considerations before adding new investments to the portfolio. Consideration is also given to future spending requirements in light of strategic objectives, and the uncertainty surrounding the Coronavirus pandemic. At the year end, the Centre held cash deposits and managed funds as detailed in Note 20.



TRUSTEES' REPORT

6. Employee involvement and employment of disabled people

The charity has an elected Workforce Engagement Group to encourage employee involvement.

The charity has a number of detailed policies in relation to all aspects of personnel matters including:

- Equality & Diversity Action Plan
- Recruitment policy
- Health and Safety policy
- Sickness Policy / Management of attendance scheme
- Fraud Awareness policy
- Bullying and Harassment policy
- Disciplinary and Grievance policies
- Safeguarding policy
- Data Protection policy

As an equal opportunity's employer, Wales Millennium Centre Limited by Guarantee welcomes applications from all walks of life to accurately reflect the local and wider demographic, helping us to achieve our vision.

In accordance with the Charity's Equality & Diversity Action Plan, and its approach to equal opportunities, the charity has established fair employment practices in the recruitment selection, retention, and training of disabled staff. Progress with diversifying the workforce is being made, as referred to in section 4.5.2 above.

7. Principal risks and uncertainties

The Board has instituted a formal risk management process to assess business risks and implement risk management strategies. This involved identifying the types of risks the company faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating those risks.

In the final month of 2019/20, the risks changed significantly, with the Coronavirus pandemic closing the venue for the foreseeable future.

Current key risks, given all commercial income has been lost, are:

- Security – the security of largely unoccupied building, and public safety at the venue given increased risk assessment
- Cyber security and data protection as a result of current environment and recognised external risks and threats
- Ability and timeframe for WMC to open in an economically viable way
- Availability of commercial product to present when the theatre is able to open, due to the impact of Coronavirus on producers' ability to produce, rehearse and tour
- Lack of insurance for COVID related incidents, including lack of insurance for producers
- Audience reluctance to return to large indoor performance venues due to the Coronavirus pandemic
- Reduction in disposable income due to impact of Coronavirus pandemic, austerity and uncertainty over Brexit
- Ability to recruit and retain appropriately qualified and experienced staff
- Increased competition from digital content
- Reliance on public funds with investment review imminent
- Public Health – risk of a COVID case/future lockdown forcing temporary closure of the Centre following reopening
- Economic uncertainty following UK's departure from EU, post pandemic
- Achievement of target income levels within the theatre and trading activities of the Company
- High operational gearing despite changes to business model – high, fixed cost base with variable income

The adequacy of the company's current internal controls is regularly reviewed as part of this process. The directors are satisfied that there is a strong internal control environment.



TRUSTEES' REPORT

8. Conclusion

Whilst we are unable to open for large-scale performances this year, we worked hard to keep the arts alive. We have worked behind the scenes to strengthen Wales Millennium Centre as an asset and resource used by artists, communities and young people. We are committed to the principles set out in ACW's cultural contract to support a more diverse, inclusive and sustainable sector. We will reflect the diversity and richness of our community as we create work that fulfils our mission to inspire the nation and impress the world. Over the past twelve months we have kept the flame of creativity alive by supporting and enabling grassroots projects. We launched **Creative Voice** training courses for young people, hosted a **Butetown Carnival** picnic, further developed our own productions for 2021 and beyond, showcased several community exhibitions, and supported our youth-led radio station, **Radio Plattform**, to continue broadcasting.

Live performances on our stages are why we exist. We will prepare our venues to reopen as soon as guidelines allow, starting with a series of closed, Coronavirus-secure events to pilot the best and safest approach. Our new programme will continue to include the very best West End shows, alongside public art informed by participatory budgeting, creative learning experiences designed and developed by young people and growing support for artists and creative practitioners.

9. Plans for the future

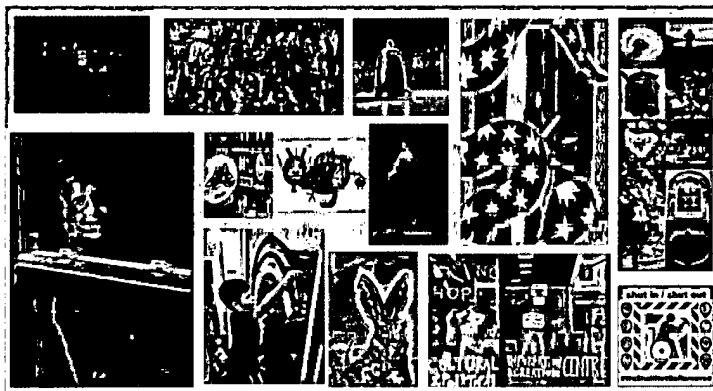
9.1 Re-opening plans

With the support of the Cultural Recovery Fund, we will reopen our doors gradually over the coming months, ahead of the reopening of the Donald Gordon Theatre and the return of commercial revenues. This will allow smaller scale test and pilot activities and events prior to the return of full audiences in October 2021. This gradual reopening will ensure the return of the arts to the people of Wales as soon as practically possible, when it is safe to do so, and in line with UK and Welsh Government guidelines. We will start with the reopening of our outdoor bar and street food offering, and as restrictions ease, will gradually open the doors into the building itself. Our opening programme is full of joy, diversity and inclusion.

Summer Outdoor Programme

Alongside the opening of our new outdoor space **Teras**, we are programming a series of free events in partnership with **Cardiff Council's City of Smiles** programme at the front of the building, and hope this year's **Carnival**, working with **Butetown Arts and Cultural Association**, will include a Donald Gordon Theatre takeover.

Summer Exhibition



Audiences will re-enter our building for the first time on the 22 July to witness our **Your Voice** exhibition, which will run until September.

Throughout the pandemic, we have collected our audiences' hopes and dreams for the future. Our building will be filled with the voices of our audiences, young people, artists, and communities.

Curated by (RWCMD graduate) **Brad Caleb-Lee**, **Your Voice** will be a celebration of all of those who have relationships with us, and it will include photography, music, video, painting and more.

Donald Gordon Theatre

In September, the Donald Gordon Theatre will be reopened by the **Welsh National Opera (WNO)** with their Autumn season. We will work closely with **WNO** to ensure that the return of audiences to the theatre is handled safely and appropriately within **Welsh Government** guidelines. It is possible that social distancing may still be a requirement.

Book of Mormon will be the first of our commercial West End shows to be performed on the Donald Gordon Stage running for 3 weeks from 5 October.

TRUSTEES' REPORT

9. Plans for the future (*continued*)

9.1 Re-opening plans (*continued*)

The Boy with Two Hearts



Funded by a grant from Weston Foundation, our first new production will open during the first week of October and run for 3 weeks in the Weston Studio. The play is written by **Hamed Amiri** (it is his family's story) with **Phil Porter** and will be directed by **Amit Sharma**. The creative team is diverse, and the 5-person cast are all of Afghan heritage, amplifying the authenticity of the story.

To ensure accessibility, there will be women and children only performances, as well as captioning in Farsi in some performances.

An immersive digital experience will be available as an alternative experience for audiences.

Cabaret



James Seabright by arrangement with Aine Flanagan presents

MARGARET THATCHER QUEEN OF SOHO

15 July 2021



Cardiff Cabaret Club Presents

BURLESQUE: FREEDOM!

Curated by Foo Foo Labelle

16 July 2021



ALYN HAWKE: UNDERSTUDY JAZZ

17 July 2021



Our Summer Cabaret season will open with the smash hit Margaret Thatcher Queen of SoHo. Through July and August, we will present 40 diverse performances to socially distanced audiences of up to 80 people in our Weston Studio.

Our new Cabaret programme will open for 4 performances a week in a dedicated space and will build on the success of the programme to date to include commercial cabaret, opportunities for emerging talent and for community performances.

Festival of Voice

In November, we will test the next evolution of **FOV**, with 4 days of world class performances on the DGT stage alongside a curated programme in the Weston studio designed by our **Creative Associates** and creative partners including **Future Archive** **Heritage Seeds** a local collective offering mentoring and development to young artists working alongside the **Butetown Heritage Cultural Exchange**.

We will also be presenting our **Powerful Interventions** commission which grew from our Together Stronger programme with **Valleys Kids** giving young people a space and voice as part of **FOV 2021**. Confirmed headline acts so far include *Hot Chip*, *Tricky*, *Gruff Rhys* and *Brian Eno*.



CANOLFAN MILENIWM CYMRU
WALES MILLENNIUM CENTRE

TRUSTEES' REPORT

9. Plans for the future (*continued*)

9.1 Re-opening plans (*continued*)

December

We will finish the year in true Wales Millennium Centre style. Audiences in the Donald Gordon Theatre will be transfixed by the heartfelt spectacle of **Disney's Beauty and the Beast**, while the Weston programme will include an intimate performance for younger audiences of Mr Poppers Penguins from Pins and Needles to compliment this. For something different, our first inhouse produced Alternative Christmas Cabaret will send this year out with a bang.

9.2 Creative Associates

We will welcome a diverse group of Creative Associates to the team in May 2021, on a two-year programme funded by the Cultural Recovery Fund. This programme reinforces our commitment to developing Welsh talent. The Creative Associates will support us in shaping our creative output in the post 2020 landscape, embedding creative thinking and energy into Wales Millennium Centre. They will work with the Senior Producers within the Arts and Creative team, in paid roles, to develop their own practice, as well as design and deliver programmes of work.

9.3 Developing skills for the performing arts sector

The success of our apprenticeship scheme and the developments within our Creative Learning strategy have highlighted a need for additional training facilities for technical skills for the performing arts sector within Wales.

In 2021/22, we will accelerate our work in co-construction with communities and young people. We are developing a Learning proposition that makes space for young people to tell their stories, in the ways they want to tell them by developing creative spaces on site. The 'Maker Spaces' and the programme itself will be designed, developed, owned, and run by young people to ensure that they have a say in the work that we create together.

9.4 Diversity and Equality

We will also ensure that we find more opportunities to celebrate and encourage difference, supporting communities to tell their own stories, celebrate their histories and cultures and to present their own work through festivals, banquets, performances, take overs and participatory budgeting schemes.

Importantly, we will work towards reflecting our communities by building a more diverse and representative organisation. We will:

- Deliver a workforce diversification programme, which will include mentoring, apprenticeships and internships in partnership with leading sector bodies such as **Job Centre Plus**, **Create Jobs** and more.
- Work closely with Cardiff and Vale College, and will offer two Kickstart placements for 6 months, one in Corporate Services, the other in Arts & Creative.
- We will work with Careers Wales on a 'Valued Partners Incentive' scheme with Willows and Cathays High school to provide insight and guidance to Yr. 11 students, made up of three sessions covering three departments: Technical: Tour of the Centre and workshop on apprenticeships Creative Learning: Radio Platform workshop and upcoming opportunities available. HR: What is it like to work at WMC? How could I be part of WMC?
- We are committed to change to ensure all managers are equipped with skills to manage poor behaviour e.g., Racism in the Workplace, Behaviours in the Workplace. A training day has already been held with the Technical and Security departments in June 2021, focusing on Behaviours in the Workplace. This was run by ACAS and enabled good discussion. Following the training, the teams recognised that some practices need to be 'un-learned', which will in turn support better work practices.
- The overall framework for Welsh lessons is currently under review. Welsh Language lessons will continue, but the impact of Covid has meant that residential courses have been stopped.
- Mental Health First Aid (MHFA) training was delivered to 10 people in various departments in May 2021. We will review how best to support our Mental Health First Aiders by setting up support groups with them.



TRUSTEES' REPORT

9. Plans for the future (continued)

9.5 Digital Investment

We will continue to invest in our digital infrastructure to ensure excellent customer service and compliance with regulations. Research and procurement commenced during 2020/21 but will be implemented in 2021/22 in readiness for reopening:

New Point of Sale system to allow for drinks purchasing on mobile apps to minimize virus transfer risks.

- Membership app to enhance customer experiences without virus risk.
- Webchat functionality for those who want to engage electronically.
- Intranet – to ensure we keep close communications with an agile workforce.
- Ticketing systems upgrades - moving to cloud-based hosting to improve resilience with additional functionality to manage pricing more efficiently and to support fundraising. New functionality will include group reservations online, exchange requests online, Direct Debit for Partner/Partner Awen online
- Automated dynamic pricing solution – improve revenue generation and reduce risk of human error.

9.6 Front of House Upgrade

Planning for this project began in 2018/19, but due to the Coronavirus pandemic and the resultant financial challenges, the project was paused. Whilst our building was closed, we revised our plans and have segmented the original project into smaller phases of work, based upon affordability and strategic ambition.

Our priorities for 2021/22 will be:

- A welcoming ground floor bar which will be a workplace during the day and a social hub at night.
- A food and beverage offer to showcase a number of Welsh businesses who will offer a variety of cuisines.
- A new cabaret venue to provide a purpose-built stage for cabaret talent.
- An upgrade to the member's lounge

We will use the opportunity of the Front of House upgrade to redesign the form and function of the foyer space in line with a new concept for service delivery. Our aim is to maintain customer service standards whilst improving profitability.

Future Development Plans

We have identified a need for a medium-sized venue (400-500 seats) and rehearsal facilities that will allow us to develop new productions suitable for touring. In addition, we want to scale up our artist development and learning facilities for young people, therefore additional rehearsal rooms and studio space to facilitate this would be essential thus liberating our existing facilities. Our Weston Studio and Cabaret venue will be used for the development of small productions and the 1,800 seat Donald Gordon Theatre for large scale, commercially successful productions.

Various locations have been investigated and currently negotiations are progressing well for a partnership with **Cardiff Council** through the development of the **Atlantic Wharf Arena and Square**. Discussions are at an early stage but the concept being developed will be a collaboration with partners, agencies, industry, educators, and institutions from across Wales to deliver a program for young people that can reach across Wales.

This is an opportunity to ensure that we have innovative, leading edge facilities that will contribute to positioning the Wales Millennium Centre as a world leading creative campus that is a beacon of Welsh Talent.

10. Post year end developments

Cultural Recovery Fund 2

The Cultural Recovery Fund was announced in July 2020 in order to support Wales' diverse culture sector through the ongoing Coronavirus pandemic. This fund was to support organisations financially until 31 March 2021. In March 2021, as a result of the continued 'stay at home' lockdown measures in place for the whole of the UK, the Cultural Recovery Funding was extended.



TRUSTEES' REPORT

10. Post year end developments (continued)

Cultural Recovery Fund 2

In April 2021, Wales Millennium Centre were notified that its application for £1.5m of revenue support had been awarded, enabling it to prepare to welcome back audiences safely when regulations allow. This funding ensured the continued employment of all existing staff and freelancers plus 16 additional roles. It will enable a number of socially distanced trial events to be undertaken throughout the Summer, in preparation for full reopening in Autumn 2021. It will also fund system development and equipment to assist with implementing additional COVID safety measures.

We're thankful to have received funding from round two of Arts Council Wales' Cultural Recovery Fund. This will help us to protect essential job roles at our organisation and enable us to prepare to reopen as soon and as safely as we possibly can.

WMC is currently planning on the basis that commercial theatre will resume on the Donald Gordon stage in October 2021.

11. Key management pay and remuneration

The Governance & Compensation Committee decide the key management pay and remuneration based on the following key factors; current market conditions and demands, current internal pay rates and benchmarking with other similar organisations. Wales Millennium Centre paid a cost-of-living increase of 2% on 1 April 2019 and from this date also pays the Real Living Wage. No cost-of-living increases, other than that relating to the Real Living Wage have been paid since this date. Following the closure of the Centre, the majority of staff were furloughed under the Coronavirus Job Retention Scheme (CJRS) and were paid 80% of their salary. Those who continued to work continued to receive 100% of their salary.

The senior leadership team were not awarded their contractual Performance Related Pay for the year 2020/21 due to the closure of the Centre.

12. Auditors

The Trustees who held office at the date of approval of the Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each Trustee has taken all steps that he/she ought to have taken as a Trustee to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditors will be appointed at the Company's Annual General Meeting.

By order of the Board on 30/09/2021



Peter Swinburn
Chairman

Bute Place
Cardiff Bay
Cardiff
CF10 5AL

STATEMENT OF RESPONSIBILITY OF THE TRUSTEES OF WALES MILLENNIUM CENTRE (LIMITED BY GUARANTEE) IN RESPECT OF THE TRUSTEE'S ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the charity and of the incoming resources and application of resources of the group and of the charity 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 judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Financial Statements and Reports) Regulations 2008 and the provisions of the trust deed. The Trustees are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the group and the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALES MILLENNIUM CENTRE (LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Wales Millennium Centre (Limited by Guarantee) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Parent Charitable Company Balance Sheet, Consolidated 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's and of the parent charitable company's affairs as at 31 March 2021 and of the groups and the parent charitable company'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.

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 group 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 about the group's and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALES MILLENNIUM CENTRE (LIMITED BY GUARANTEE)

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risks of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

The laws and regulations that we determined were most significant to the company were the Companies Act, Charities Act, Employment Rights Act and the Health and Safety Act.

We obtained an understanding of how the company is complying with those laws and regulations by making enquiries to the management, and corroborated these enquiries through our review of board minutes and review of legal and professional spend for the year.

We assessed the susceptibility of the charities financial statements to material misstatement, including how fraud might occur, and did not identify any key audit matters relating to irregularities, including fraud. We assessed the effectiveness of internal controls that management has in place to prevent and detect fraud, including testing of manual journals and evaluating the assumptions and judgements made by management in its significant accounting estimates.

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



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALES MILLENNIUM CENTRE (LIMITED BY GUARANTEE)

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.

N Toye

Nicholas Matthew Toye FCA (Senior Statutory Auditor)
for and on behalf of BPU Limited
Chartered Accountants
Statutory Auditor

Date:16/11/21.....



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted income funds	Restricted income funds	Total funds	Unrestricted income funds	Restricted income funds	Total funds
		2021 £'000	2021 £'000	2021 £'000	2020 £'000	2020 £'000	2020 £'000
Income from charitable activities							
Donations		300	67	367	388	163	551
Sponsorship		49	-	49	155	-	155
Grants receivable		3,577	5,430	9,007	3,588	415	4,003
Income from other trading activities:							
Catering, merchandising and facilities hire		480	-	480	3,835	-	3,835
Rental		147	-	147	265	-	265
Interest & investment income receivable	3	140	-	140	43	-	43
Theatre income		(10)	-	(10)	13,574	-	13,574
Total income		4,683	5,497	10,180	21,848	578	22,426
Expenditure on raising funds							
Charitable activities (includes depreciation of £2.2m; 2020: £2.2m)	4	5,730	1,897	7,627	8,694	458	9,152
Trading activities		503	1,018	1,521	14,832	-	14,832
Tax charge for the year		-	-	-	(97)	-	(97)
Total expenditure expended		6,233	2,915	9,148	23,429	458	23,887
Net (expenditure) / income and net movements in funds for the year		(1,550)	2,582	1,032	(1,581)	120	(1,461)
Reconciliation of funds							
Total funds brought forward		46,218	927	47,145	47,799	807	48,606
Total funds carried forward		44,668	3,509	48,177	46,218	927	47,145

All income and expenditure were derived from continuing activities.

The company has no recognised gains or losses other than the above results for the two years. The notes on pages 47 to 61 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

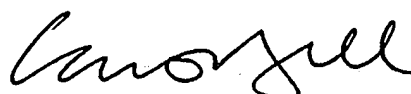
AS AT 31 MARCH 2021

	Note	Group 2021 £'000	Group 2020 £'000
Fixed assets			
Intangible assets	9	116	173
Tangible assets	10	41,612	43,657
Investments	20	666	534
Total Fixed Assets		42,394	44,364
Current assets			
Stock	11	41	82
Debtors	12	1,133	1,646
Cash at bank and in hand	13	13,904	11,992
Total Current Assets		15,078	13,720
Liabilities			
Creditors falling due within one year	14	(9,295)	(10,939)
Net Current Assets		5,783	2,781
Total assets less current liabilities		48,177	47,145
Net Assets		48,177	47,145
The funds of the charity			
Unrestricted funds	17	44,668	46,218
Restricted funds	17	3,509	927
Total Charity Funds		48,177	47,145

These financial statements were approved by the Board of Trustees on and were signed on its behalf by:



Peter Swinburn
Chairman



Dr Carol Bell
Trustee

COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Note	Company 2021 £'000	Company 2020 £'000
Fixed assets			
Tangible assets	10	41,528	43,525
Investments	20	668	536
Total Fixed assets		42,196	44,061
Current assets			
Debtors	12	1,418	2,894
Cash at bank and in hand	13	6,891	1,111
Total Current Assets		8,309	4,005
Liabilities			
Creditors falling due within one year	14	(1,961)	(919)
Net Current Assets		6,348	3,086
Total assets less current liabilities		48,544	47,147
Creditors: falling due after more than one year	15	(2)	(2)
Net Assets		48,542	47,145
The funds of the charity			
Unrestricted funds	17	45,043	46,225
Restricted funds	17	3,499	920
Total Charity Funds		48,542	47,145

These financial statements were approved by the Board of Trustees on and were signed on its behalf by:



Peter Swinburn
Chairman



Dr Carol Bell
Trustee

Company number 3221924

Registered charity number 1060458



CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 £'000	Group 2020 £'000
Cash flows from operating activities			
Net income/(expenditure) for the year		1,032	(1,461)
Interest receivable	2	(140)	(43)
Depreciation and amortisation	9 & 10	2,222	2,283
Disposal of fixed assets	10	-	1
Decrease/(increase) in stock	11	42	(17)
Decrease in debtors	12	514	1,006
(Decrease)/increase in creditors	14	(1,655)	1,040
(Gain)/loss on revaluation of investment		(132)	8
Net cash inflow from operating activities		1,883	2,817
Cash flows from investing activities			
Interest received		140	43
Acquisition of fixed assets	9 & 10	(601)	(1,124)
Impairment of fixed asset		486	-
Dividend received		4	-
Net cash outflow from investing activities		29	(1,081)
Increase in cash and cash equivalents in the year		1,912	1,736
Cash and cash equivalents at beginning of the year		11,992	10,256
Total cash and cash equivalents at the end of the year		13,904	11,992

ANALYSIS OF CHANGES IN NET DEBT	At 1 April 2020	Cash flows	Other non cash changes	At 31 March 2021
Cash and cash equivalents				
Cash	11,992	1,912	-	13,904
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	11,992	1,912	-	13,904
Borrowings				
Debt due within one year	-	-	-	-
Debt due after one year	-	-	-	-
	-	-	-	-
Total	11,992	1,912	-	13,904

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wales Millennium Centre 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 notes. The Company has taken advantage of the exemption contained in FRS 102 to only present a consolidated cash flow statement.

Going Concern

In January 2021, Wales Millennium Centre agreed its funding settlement for a one-year period until 31 March 2022 with the **Arts Council of Wales**. This settlement has secured Wales Millennium Centre annual revenue funding of £3.6m from the **Arts Council of Wales** along with an annual capital funding of £0.3m. In addition, emergency funding under the Cultural Recovery Fund has been confirmed to support fixed and exceptional costs of the Coronavirus pandemic and reopening post pandemic. The revenue grant, alongside the Cultural Recovery Fund grant has given Wales Millennium Centre certainty over a substantial part of its income for the year up to 31 March 2022, enabling the safe reopening when Government restrictions permit.

The Centre has developed a 5-year business plan including a reserves policy. It has also validated an annual survival plan implemented as a result of the pandemic, which sustains the organisation with no activity within its available income streams. The Trustees have therefore concluded that the organisation will continue to remain in operational existence for at least 12 months from the date the financial statements are signed. Therefore, these financial statements are prepared on a going concern basis.

Key estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Provisions for loss making shows: all provisions have been made with information available as at the date of the signed statements.
- Provisions for bad debts: all provisions have been made with information available as at the date of the signed statements.
- Fixed assets: all fixed assets are measured at cost less accumulated depreciation. No assets have been revalued. At the date of capitalising fixed assets, management estimate the Company estimates the useful life of the asset based upon management's judgement and experience.
- Theatre tax relief: a provision has been made with information available as at the date of the signed statements.

Fund accounting

The various types of funds for which the charity is responsible, and which require separate disclosure, are as follows:

Restricted funds

The funds can take two forms: income and capital. The funds can arise by way of donations, gifts (of assets and services), grants, and legacies, and are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation. For restricted income funds, the donation and income deriving therefrom may be utilised. In the case of restricted capital funds, only the income arising from the fund may be utilised for the restricted purposes and the capital must be retained.

Designated funds

These are funds which have been set aside at the discretion of the Board members for specific purposes. The purpose and uses of the designated funds are set out later in these notes to the financial statements.

Unrestricted funds

These are funds which are expendable at the discretion of the Trustees in furtherance of the objects or administration of the Charity.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Accounting policies (continued)

Creditors provisions

Provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. All gains and losses are taken to the Statement of Financial Activities.

Basis of consolidation

The Group financial statements consolidate the Financial Statements of Wales Millennium Centre (Limited by Guarantee) and of its subsidiaries, Wales Millennium Centre (Trading) Limited, WMC Productions Limited and Wales Millennium Centre (Theatre) Limited, drawn for the year ended 31 March 2020. No separate statement of financial activities and income and expenditure account is presented for Wales Millennium Centre (Limited by Guarantee) as permitted by s408 of the Companies Act 2006.

Intangible Fixed Assets

Intangible fixed assets are stated at cost less accumulated amortisation. The annual rate of amortisation, once the assets have been brought into use, is 20% on a straight-line basis.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. In the case of assets and services gifted to the Charity a valuation is established by means of an external professional valuation or a certificate of value from the donor as appropriate. Assets with a value of less than £1,000 will not be capitalised unless they form part of a larger capital project.

Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, on a straight-line basis over its useful economic life as follows:

	Annual rate
Buildings	2% - 20% straight line
Plant and machinery	5% - 20% straight line
Fixtures, fittings, and equipment	4% - 33% straight line

An adjustment was made in the financial year ended 31 March 2020 to align the depreciation policy of the parent and its subsidiaries.

Impairment Reviews

The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed assets may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

Grants

Grants receivable are accounted for in the year to which the grants relate or, if applicable, in line with their specific performance criteria.

Donations and sponsorship

Donations and sponsorship income are recognised when the Charity becomes entitled to the income, when there is certainty that it will be received, and the amount can be measured. Where conditions of a grant require spend to be incurred during a specific accounting period, and the grant has been received in advance, the income is accounted for as deferred income until the accounting period in which the Charity is allowed, by the condition of the grant, to expend the funds.

Theatre Income

Theatre income is recognised in the year to which it relates. Ticketing income received in advance is deferred. It is released to the statement of financial activities when the performance takes place.

Catering income

Catering and other income represents the value, net of value added tax and discounts, of goods and services provided to customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Accounting policies (continued)

Interest receivable

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

Investment income

Investment income is received quarterly and reinvested into the fund. Quarterly statements are received from Sarasin. Investment income is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the income paid by the Investment fund.

Gifts in kind

Gifts in kind include non – cash donations of services and assets. In accordance with the Statement of Recommended Practice they have been included in income, and in the relevant category of expenditure and fixed assets and have been recorded at a reasonable estimate of their value to the Charity. We do not recognise any volunteer hours in the accounts.

Grants of rights

Where rights are granted to third parties under which benefits accrue over a prescribed period, the proceeds on the grant of those rights are transferred to a deferred credit account and released to income on a straight-line basis over the period during which those benefits are to be provided.

Expenditure

All expenditure is accounted for on an accruals basis. Costs are apportioned between expenditure categories in a manner which reflects the allocation of resources to these areas.

Pension costs

Contributions are made to employees' personal pension schemes, which are defined contribution schemes, as part of their remuneration package and are charged in the year in which they are incurred.

Stock

Stock is valued at the lower of cost and net realisable value.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

Taxation

Wales Millennium Centre (Limited by Guarantee) is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2014 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. Financial performance of the charity

The consolidated statement of financial activities includes the results of the Charity's wholly owned subsidiary which operates the Theatre business and hospitality facilities, along with its wholly own subsidiary, WMC Productions Limited.

The summary financial performance of the Charity alone is:

	2021 £'000	2020 £'000
Income	9,024	7,220
Gift aid from subsidiary company	-	796
Expenditure on charitable activities	(7,627)	(9,477)
Net income/(expenditure)	1,397	(1,461)
Total funds brought forward	47,145	48,606
Total funds carried forward	48,542	47,145

The charity has net income in the current financial year as a result of grant income received on the expectation that it would be spent before 31 March 2021. Due to the unanticipated lockdown in December 2020 these costs have been delayed and will be incurred in the next financial year. This income is categorised as restricted funds.

3. Interest & investment income receivable

The group's interest and investment income of £140K (2020: £43K) arises from money held in interest bearing deposit accounts and from a medium-term investment held with Sarasin.

4. Analysis of expenditure on charitable activities

2021	Concerts and stage performances	Visiting arts exhibitions and Installations	Education including residences	General centre visitation	2021 Total expenditure
	£'000	£'000	£'000	£'000	£'000
Artists' and exhibition fees	90	-	-	-	90
Production expenses	601	24	-	-	625
Education and outreach	-	21	80	38	139
Box office and front of house	-	-	-	6	6
Promotion and marketing	-	-	-	8	8
Central premises costs	684	15	118	765	1,582
Bank charges	-	-	-	1	1
Depreciation	-	-	-	2,102	2,102
Governance costs (Note 5)	-	-	-	2	2
Support costs (Note 5)	-	-	-	3,072	3,072
Total	1,375	60	198	5,994	7,627

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Analysis of expenditure on charitable activities (continued)

2020	Concerts and stage performances	Visiting arts exhibitions and Installations	Education including residences	General centre visitation	2020 Total expenditure
	£'000	£'000	£'000	£'000	£'000
Artists' and exhibition fees	-	-	-	-	-
Production expenses	341	41	-	(1)	381
Education and outreach	48	-	590	18	656
Box office and front of house	469	2	1	18	490
Promotion and marketing	13	2	-	22	37
Central premises costs	1,566	34	268	1,749	3,617
Bank charges	-	-	-	(5)	(5)
Depreciation	-	-	-	2,087	2,087
Governance costs (Note 5)	-	-	-	25	25
Support costs (Note 5)	-	-	-	1,864	1,864
Total	2,437	79	859	5,777	9,152

5. Analysis of governance and support costs

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance functions. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the three key charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs. No recharge was made to the trading entity in the current financial year for management time as a result of there being no trading activity due to the pandemic.

2021	General Support	Governance Function	Total	Basis of apportionment
	£'000	£'000	£'000	
Catering and venue hire for trustee and other business meetings	-	2	2	Invoiced
Salaries, wages and related costs	2,492	-	2,492	Allocated on time
General office	547	-	547	
Audit fees – Consolidated financial statements	11	-	11	Invoiced
Audit fees – Subsidiary financial statements	10	-	10	Invoiced
Non audit fees	12	-	12	
Audit fees – Internal audit	-	-	-	
Total	3,072	2	3,074	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Employee numbers and costs

	2021 £'000	2020 £'000
Employee costs during the year accounted to		
Wages and salaries	3,313	4,604
Pension contributions to defined contribution schemes	188	282
Social security costs	270	403
	3,771	5,289
	2021 Number	2020 Number
Average number of persons employed (including casuals) were:		
Stage, technical, front of house, catering and venue operations	152	328
Management and administration	6	6
	158	334

During the year, the company's wages and salaries costs above include remuneration paid to the Trustees amounting to £nil (2020: £nil). No travel expenses were reimbursed to Trustees (2020: three Trustees) during the year (2020: £1k).

The number of employees whose emoluments as defined for taxation purposes amounted to over £60k in the year was as follows:

	2021 Number	2020 Number
£60,000 - £70,000	1	-
£70,001 - £80,000	2	1
£80,001 - £90,000	-	1
£110,001 - £120,000	1	-
£120,001 - £150,000	-	1
£150,001 - £160,000	-	-
£170,001 - £180,000	1	1
	2021 £'000	2020 £'000
Pensions contributions to defined contribution schemes in respect of these five employees (2020:4)	36	34

Key management personnel who have responsibility for planning, directing and controlling the activities of the organisation are detailed in the Trustees report on Page 3 (Trustees) and separately on Page 3 (Managing Director and other senior staff). The total amount paid for these five employees was £438k (2020: £492k).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

7. Net expenditure for the year

	2021 £'000	2020 £'000
Net expenditure is stated after charging the following		
Fee for audit of parent company and group financial statements	11	25
Fee for audit of subsidiary companies	10	15
Audit non remuneration	12	6
Payments made under operating leases	110	110
Depreciation and amortisation (Notes 9 & 10)	2,222	2,284
Trustees and officer's indemnity insurance	<u>11</u>	<u>5</u>

8. Taxation

Wales Millennium Centre (Limited by Guarantee) is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2014 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 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.

9. Intangible Assets

	£'000
Cost	
At 1 April 2020	289
Additions during the year	<u>-</u>
Cost at 31 March 2021	<u>289</u>
Amortisation and Impairment	
At 1 April 2020	116
Charge for the year	<u>57</u>
Amortisation at 31 March 2021	<u>173</u>
Net Book Value at 31 March 2021	<u>116</u>
Net Book Value at 31 March 2020	<u>173</u>

Intangible assets represent the value of funds invested in the redevelopment of the WMC Website, which was launched in August 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Tangible assets

Group	Long leasehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Asset under construction £'000	Total £'000
Cost					
At 1 April 2020	57,816	43,548	4,031	639	106,034
Additions in the year	1	143	320	134	598
Disposals in the year	-	-	-	(476)	(476)
Year ended 31 March 2021	57,817	43,691	4,351	297	106,156
Accumulated depreciation					
At 1 April 2020	17,914	40,818	3,645	-	62,377
Charge for the year	1,165	851	151	-	2,167
Disposals during the year	-	-	-	-	-
Year ended 31 March 2021	19,079	41,669	3,796	-	64,544
Net book value					
31 March 2021	38,738	2,022	555	297	41,612
31 March 2020	39,902	2,730	386	639	43,657

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Tangible assets (Continued)

Company

	Long leasehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Asset under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2020	57,816	43,028	3,822	639	105,305
Additions in year	1	129	320	134	584
Disposals in year	-	-	-	(476)	(476)
Year ended 31 March 2021	57,817	43,157	4,142	297	105,413
Accumulated depreciation					
At 1 April 2020	17,914	40,421	3,445	-	61,780
Charge for the year	1,165	793	147	-	2,105
Disposals during the year	-	-	-	-	-
Year ended 31 March 2021	19,079	41,214	3,592	-	63,885
Net book value					
31 March 2021	38,738	1,943	550	297	41,528
31 March 2020	39,902	2,607	377	639	43,525

Substantially all tangible fixed assets are used for direct charitable purposes. The remainder are used for administration and fundraising purposes.

At 31 March 2021 there were no assets held under finance leases (2020: £nil). These figures represent amounts in both the Company and Group.

At 31 March 2020 there was an asset under construction relating to the Front of House redesign & capital project. A review was undertaken during the year in light of revised plans, resulting in a diminution in value. This has been reflected in this year's statutory accounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

11. Stock

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Raw materials	-	10	-	-
Goods for Resale	41	72	-	-
	41	82	-	-

12. Debtors

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade debtors	536	915	179	258
Other debtors	377	285	366	158
Prepayments	104	186	79	144
VAT receivable	65	74	134	76
Theatre Tax Relief	51	186	-	-
Amount owed by subsidiary undertaking	-	-	660	2,258
	1,133	1,646	1,418	2,894

13. Cash at bank and in hand

Cash held by the Group at the balance sheet date includes bank accounts relating to ticketing income received in advance of £6.7m (2020: £8.9m), along with the unspent element of an ACW grant (£2.1m).

14. Creditors: falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Social security and other taxes	60	106	49	77
Trade creditors	237	353	209	73
Accruals	842	917	739	620
Income in advance	6,656	8,997	-	-
Other creditors	1,500	566	964	149
	9,295	10,939	1,961	919

Income in advance relates to ticketing income. Other creditors includes a Grant that related to 2021/22 period £823k (2020: £nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Creditors: falling due after more than one year

	Group 2021 £'000	2020 £'000	Company 2021 £'000	2020 £'000
Unpaid share capital	2	2	2	2
Total	2	2	2	2

16. Capital

The Company is limited by guarantee and therefore has no share capital. The extent of the guarantee is £1 per member. The maximum number of members permitted is 15.

17. Funds

Unrestricted funds

Group	2020 £'000	Income £'000	Expenditure £'000	Transfer £'000	2021 £'000
<u>Designated funds</u>					
Capital Maintenance	500	156	-	-	656
Capital Development	-	-	(140)	932	792
Sustainability Reserve	-	-	-	180	180
Reorganisation Reserve	1,000	-	-	(500)	500
Creative Ambition	100	-	(25)	200	275
Total designated funds	1,600	156	(165)	812	2,403
General unrestricted funds	44,618	4,527	(6,068)	(812)	42,265
Total funds	46,218	4,683	(6,233)	-	44,668

Company	2020 £'000	Income £'000	Expenditure £'000	Transfer £'000	2021 £'000
<u>Designated funds</u>					
Capital Maintenance	500	156	-	-	656
Capital Development	-	-	(140)	932	792
Sustainability Reserve	-	-	-	180	180
Reorganisation Reserve	1,000	-	-	(500)	500
Creative Ambition	100	-	(25)	200	275
Total designated funds	1,600	156	(165)	812	2,403
General unrestricted funds	44,625	4,391	(5,564)	(812)	42,640
Total funds	46,225	4,547	(5,729)	-	45,043

Unrestricted funds are expendable at the discretion of the Trustees for the Charity's purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Funds (continued)

Designated funds

Capital Maintenance – a capital maintenance funding requirement has been identified through the Capital 50 plan, estimated at half a million pounds per annum, to maintain the building, plant and equipment to a high standard. This designated fund represents funds set aside to meet this requirement.

Capital development reserve – this has been set up to support the cost of new capital projects.

Creative ambition reserve – this has been established to enhance the creative ambition over the next three years.

Restricted funds

Group	Movement in funds				2021 £'000
	2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	
Capital Maintenance	920	695	(262)	-	1,353
Creative Ambition	-	88	(20)	-	68
Festival of Voice	-	340	(340)	-	-
Core Restricted Funds	7	4,374	(2,293)	-	2,088
Total funds	927	5,497	(2,915)	-	3,509

Company	Movement in funds				2021 £'000
	2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	
Capital Maintenance	920	695	(262)	-	1,353
Creative Ambition	-	88	(20)	-	68
Festival of Voice	-	340	(340)	-	-
Core Restricted Funds	-	3,353	(1,275)	-	2,078
Total funds	920	4,476	(1,897)	-	3,499

Capital Maintenance

During the year, the Centre received restricted grant income from The Arts Council of Wales relating to capital maintenance of the Centre under the Capital 50 plan. Fixed assets relating to this expenditure have been capitalised and will be written down over the expected life of the assets.

Core restricted funds relate to the Arts Council of Wales Cultural Recovery Fund Grant

Analysis of net assets between funds

Group	Unrestricted Funds	Restricted Funds	Total for the year ended 31 March 2021 £'000	Total for the year ended 31 March 2020 £'000
	£'000	£'000	£'000	£'000
Intangible & Tangible fixed assets	40,375	1,353	41,728	43,830
Investment	666	-	666	534
Net current assets	3,627	2,156	5,783	2,781
	44,668	3,509	48,177	47,145

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Funds (continued)

Company	Unrestricted Funds	Restricted Funds	Total for the year ended 31 March 2021	Total for the year ended 31 March 2020
	£'000	£'000	£'000	£'000
Tangible fixed assets	40,175	1,353	41,528	43,525
Investment	668	-	668	536
Net current assets	4,202	2,146	6,348	3,086
Creditors falling due after more than 1 year	(2)	-	(2)	(2)
	45,043	3,499	48,542	47,145

Total income comprises £4.7m (2020: £21.8m) for unrestricted funds and £5.5m (2020: £0.6m) for restricted funds. A detailed analysis of incoming resources is given in the Statement of Financial Activities and notes.

Total expenditure comprises £6.2m (2020: £23.4m) for unrestricted funds and £2.9m (2020: £0.5m) for restricted funds. A detailed analysis of expenditure is given in the Statement of Financial Activities and notes.

In accordance with the Charities SORP 2015, capital grants are recognised in full in the statement of financial activities in the year in which they are received, subject to performance criteria. Capital grants are recognised in full in the year they are received.

The summary income and expenditure account illustrated above is derived from the statement of financial activities on page 42 which, together with the notes of the financial statements provides full information on the movements during the year on all the funds of the Group.

18. Pension contributions

The Wales Millennium Centre makes contributions on behalf of employees to individual defined contribution schemes. The amount charged to the statement of financial activities during the year ended 31 March 2021 was £188k (2020: £282k).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Operating leases

Total commitments under non-cancellable operating leases are as follows:

	2021 £'000	2020 £'000
Operating leases which expire:		
Within one year		
In the second to fifth years inclusive	90	90
	<u>90</u>	<u>90</u>

20. Investments

	Group £'000	Company £'000
Value at 1 April 2020	536	536
Revaluations during the year	<u>130</u>	<u>127</u>
Value at 31 March 2021	<u>666</u>	<u>663</u>

During the year we reviewed our Investment policy and agreed that unrestricted and restricted funds should be predominantly held in minimum risk deposit accounts. Current investments are held in a 5-year investment fund with **Sarasin & Partners LLP**, at a risk level between 4 and 7. Quarterly investment reports are received.

21. Subsidiary companies

The Charity has two wholly owned subsidiary companies, Wales Millennium Centre (Trading) Limited and Wales Millennium Centre (Theatre) Limited and is the ultimate parent undertaking of WMC Productions Limited. All companies are registered in England and Wales.

Wales Millennium Centre (Trading) Limited (registered number 3776896)

Wales Millennium Centre (Trading) Limited commenced trading in November 2007 and carries out trading activity on behalf of the charity. The ticket sale and marketing activity, previously undertaken by the Charity was transferred to Wales Millennium Centre (Trading) Limited as part of a transfer of activities on 1 October 2014. There was minimal trading activity during the year due to the Wales Millennium Centre being closed due to the Coronavirus pandemic. Turnover in the current financial year was mainly income received from the Coronavirus Job Retention Scheme and contractual income. It has been consolidated in these group Financial Statements. A summary of its trading results is shown below:

	2021 £'000	2020 £'000
Turnover	1,149	16,092
Cost of Sales	<u>(195)</u>	<u>(12,477)</u>
Gross Profit	954	3,615
Administrative Expenditure	<u>(1,318)</u>	<u>(2,819)</u>
(Loss)/profit before charitable donation	(364)	796
Charitable donation to parent organization	<u>-</u>	<u>(796)</u>
	<u>(364)</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. Subsidiary companies (continued)

Wales Millennium Centre (Trading) Limited (continued)	2021	2020
	£'000	£'000
Intangible & Tangible fixed Assets	200	306
Net current liabilities	(563)	(305)
Net assets	(363)	1
Called up share capital	(363)	1

WMC Productions Limited (registered number: 09696006)

WMC Productions Limited is a wholly owned subsidiary of Wales Millennium Centre (Trading) Limited. It has been consolidated in these group Financial Statements. WMC Productions Limited is commissioned by the Charity to create productions. Due to the Coronavirus pandemic, no new productions were commissioned this year. A summary of its results is shown below:

	2021	2020
	£'000	£'000
Turnover	-	523
Cost of Sales	-	(480)
Gross Loss	-	43
Administrative Expenditure	-	(140)
Loss Before Taxation	-	(97)
Tax on loss	-	97
Result for the financial year	-	-
	2021	2020
	£'000	£'000
Intangible & Tangible fixed Assets	-	-
Net current assets	1	1
Net assets	1	1
Called up share capital	1	1

Wales Millennium Centre (Theatre) Limited (registered number: 03749246)

Wales Millennium Centre (Theatre) Limited was dormant throughout the year.