

WALES MILLENNIUM CENTRE (LIMITED BY GUARANTEE)

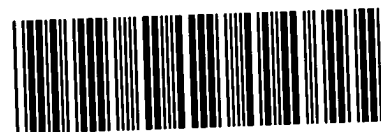
**GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023**

Registered Company Number 3221924

Charity Number 1060458



TUESDAY



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21/11/2023

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**CANOLFAN MILENIWM CYMRU
WALES-MILLENNIUM-CENTRE**

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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
External: BPU Ltd Chartered Accountants
Radnor House
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Cardiff
CF23 8AA

Internal: RSM
Suite 205 Regus House
Malthouse Avenue
Cardiff Gate Business Park
Cardiff
CF23 8RU

Bankers
Lloyds Banking Group
1 Queen Street
Cardiff
CF10 2AF

Solicitors
Geldard's LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

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

Managing Director and other Senior Staff:
Mathew Milsom, Managing Director
Graeme Farrow, Artistic and Creative Director
Elizabeth Burris, Finance & Corporate Services Director
Sian Morgan, Director of Development and Partnerships

TRUSTEES' REPORT *(continued)*

2. Structure, governance and management

2.1 The Trustees who held office during the year up to the date of approval of the financial statements were as follows:

	Finance & Audit Committee	Governance & Compensation Committee
Peter Swinburn		X
Carol Bell (retires December 2023)	X	
Geraint Anderson (retires November 2023)	X	
Rita Singh		X
Joanna Rees	X	
Nicky Goulder		X
Amit Kachawaha	X	
Rhodri Talfan Davies*		
Julie-Ann Haines	X	
Nan Williams* (appointed July 2023)		

*does not have any Committee membership

With the various members of the board due to resign in the 2023/24 financial year, trustee recruitment continues. As part of this process, we will seek to further diversify the composition and enhance the skillset of the 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 expertise to help us further develop our digital strategy.

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 |

Board and all subcommittee meetings in 2022/23 continued to be conducted in a hybrid format.

2.2 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 Statements 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).
- Charity Commission Guidance Note CC8 – Internal Financial Controls for Charities (English/Cymraeg)

2.3 Structure, governance and management

- 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' REPORT *(continued)*

Trustees assess their current skills and 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, 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.

- 2.4 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. The losses incurred by the company during 2020-21 were retained in the company with all future profits to be retained until the losses were recouped in full. The trading profit for 2022-23 was sufficient to eliminate the brought forward losses of £169k. The remaining trading profits of £1.9m will be gifted to the parent company by way of charitable donation.

WMC Productions Limited creates productions commissioned by the Charity, with the Charity paying WMC Productions Limited a commissioning fee for this work. WMC commissioned the production of four shows during this financial year; *The Boy with Two Hearts*, presented in September and October 2022, Christmas Cabaret *The Lion, The Bltch and The Wardrobe in December*, grime show *The Making of a Monster* in November and we finally staged our Welsh language production *Anthem* in July, having been postponed from March 2022. The total commissioning fee payable for the year was £662k (2022: £566k).

Wales Millennium Centre (Theatre) Limited remained dormant throughout the year covered by these financial statements. It is anticipated that this charitable company will become active in the next financial year as we progress our plans to build a new production facility, training facility and theatre in Cardiff. Timing of activity is dependent on Cardiff Council approving the proposal at their Council Meeting in July 2023.

- 2.5 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 resumed during 2022-23 with three audits being conducted: Gift Aid, Procurement and Payroll and to address cyber security risk, an security assessment of our Microsoft 365 software is currently underway. A rolling three-year programme of work will be established during the next financial year, 2023/24, with at least one Finance and one Cyber related audit proposed each year.

The Board has 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. The impact of the Coronavirus pandemic is still being felt, and with the additional challenges of the cost of living and energy crises, risks to the organisation are reviewed monthly by the management team. 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.

As of 31 March 2023, WMC had a board of 9 Trustees. The Board effectiveness is reviewed on at least an annual basis. The Board composition is formally assessed preceding the appointment of a new trustee, to ensure diversity maintained/improved, and appropriate expertise is obtained. Recruitment of new members is then targeted, in line with our equality strategy plan, to ensure that a diverse board with appropriate skills is maintained.



TRUSTEES' REPORT *(continued)*

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

Diversity data	WMC (March 2023) Population of 9	WMC (March 2022) Population of 9
Gender assigned at birth:		
Male	44%	44%
Female	56%	56%
LGBTQ+	0%	0%
Registered disabled	0%	0%
Black, Asian, and ethnically diverse	22%	22%
Religious affiliation	56%	56%
Age – 55+	44%	44%
Welsh speakers	44%	44%

A quarterly reporting regime is in place between the Charity and its key stakeholder, **Arts Council of Wales (ACW)**, along with formal quarterly review meetings and an annual review. The quarterly reviews have been paused until after the outcome of the investment review has been announced. During the annual meeting, senior leaders of WMC and ACW assess performance against agreed objectives and validate objectives for the coming year. WMC has met the key objectives set with ACW and has set out objectives for the future to deliver on our vision but also the criteria of the investment review.

In addition to these regular meetings both the Managing Director and Artistic Director had very positive first meetings with the new ACW Chief Executive in which they shared future plans and challenges post-pandemic. A joint meeting with ACW and their Welsh government counterpart, Creative Wales, to explore future funding models was also held.

The financial support of ACW has been critical to us getting through the past few financial years and we are extremely grateful for their ongoing support.

3. Objectives and activities for the public benefit

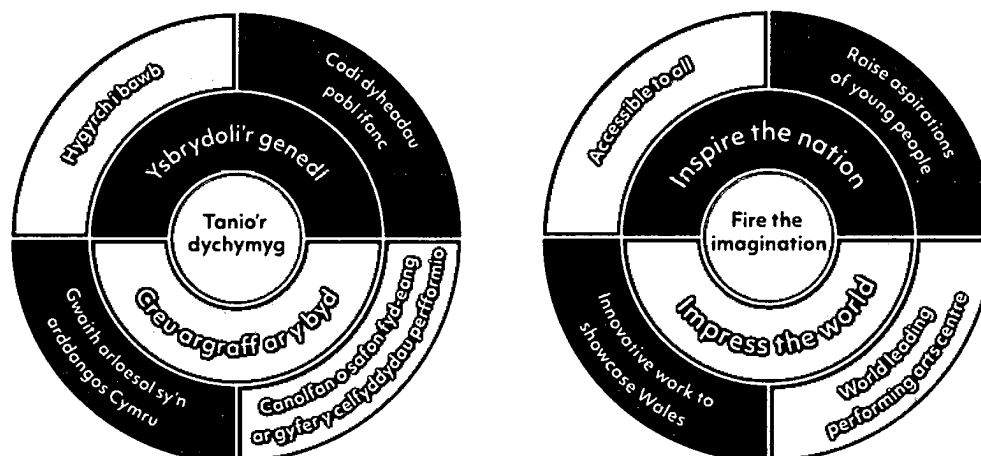
Wales Millennium Centre is a home for the arts in Wales, and a cauldron of creativity for the nation. We fire imaginations by curating world-class, critically acclaimed touring productions, from musical theatre and comedy to dance, cabaret and an international festival. We kindle emerging talents with 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's 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

TRUSTEES' REPORT *(continued)*



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.

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.

4. Section 4 - Achievements & Performance

4.1 Donald Gordon Theatre

A return to full programming in the largest of our theatres featured successful blockbusters and record breaking income.

2022-23 was the first financial year since 2019-20 when the Donald Gordon Theatre (DGT) has been fully programmable without any pandemic-forced closures or cancellations the entire year, only three programmable evenings were not filled.

Over 426,800 ticket sales for our DGT commercial shows generated £16.8m (excluding VAT) in 2022/23, the highest on record and £2m more than the previous record of £14.8m in 2016-17. This record-breaking success is largely due to several blockbusters falling in the same financial year due to pandemic driven rescheduling, including 8-weeks of Disney's *Lion King* in the summer and the return of *Les Misérables* for 5 weeks at Christmas.

Whilst the eventual financial outcome has been record breaking, the challenges posed by changes to audiences behaviour with regards to purchasing tickets much closer to the dates of the show itself should not be underestimated. Sales for *Dreamgirls* and *My Fair Lady* were slow and neither performed as well as expected in terms of sales. *My Fair Lady's* three-week run in November 2022 coincided with growing concerns around the cost-of-living crisis. It was not until January 2023 that confidence in our financial outturn was re-established.

DIGONEX, our price optimisation partner also assisted in adjusting prices where there was high demand for blockbuster titles. We are now also able to keep a keener eye on inventory management and pricing thanks to the SEATS portal provided by DIGONEX, our price optimisation partner. This not only allows us to easily increase prices where there is demand, but also decrease prices in an attempt stimulate demand in areas of the DGT where sales may be slower. *Alongside offering world-class shows, we are also creating space for more diverse performances.*

In line with our creative and strategic vision, we gave a platform to diverse voices by opening up our main stage for use by artists, communities, and young people, beyond the usual commercial touring companies. We built on our previous work with young people and communities to enable them to programme, create, and use the DGT in the ways that they want to.

In xxx 2022/23, for the first time in its history, Butetown Carnival took over our main stage. The popular Johnny Clarke and the Dub Asante Band closed the event as part of the Festival finale.

We also supported one of our Creative Associates, Jo Fong, with a full week's access to the Donald Gordon Theatre, to develop *How Shall We Begin Again?* A unique two-day take-over of the DGT, saw 50 diverse artists from across Wales 'claim' the space through dance, spoken word, and improvisation. It was a poignant piece for the artists involved, many of whom had never worked with us before. It drew new audiences into our main theatre to experience the live installation, with 39% of audience being new bookers. We received excellent feedback from audiences and artists on the ambition and delivery of the piece, including:

TRUSTEES' REPORT *(continued)*

'What you have done here is truly amazing. It really is world leading.'

'It was extraordinary to see the main stage at WMC opened up to such cutting-edge contemporary work. More please!'

'It was really refreshing to see a show like this in the main space of the WMC...'

How Shall We Begin Again Audience Members

The production helped to enhance our reputation as a creative home for everyone, where innovative work takes place. Jo Fong and her fellow Creative Associates are making important contributions in our journey to open more of our spaces to artists beyond our commercial work.

4.2 Wales Millennium Centre Productions and our Weston Studio

During the year we continued to celebrate the best of Wales's talent in our own productions.

2022/23 saw eight Wales Millennium Centre (WMC) productions, co-productions and experiences come to the stage and screen, bringing over 13,500 audience members into our building, in addition to the audiences that saw our productions in various locations with over 16,000 people attending the London run of *The Boy With Two Hearts*. We also invested in Research and Development with five further artists, the results of which may form part of our future production slate.

Our 2022/23 production

- **The Boy with Two Hearts (Weston Theatre & Dance House)**
- **Anthem (Weston Theatre)**
- **Grandmothers Closet (Weston Theatre & Cabaret)**
- **Anthem (Weston Theatre)**
- **The Boy with Two Hearts (Weston Theatre & Dance House)**
- **Ripples of Kindness (Digital Experience)**
- **Llais (Building takeover)**
- **The Making of a Monster (Weston Theatre Lion, the Bltch and the Wardrobe (Cabaret)**
- **How Shall we Begin Again? (DGT takeover)**

The Boy with Two Hearts returned to Cardiff in September 2022 to Dance House, home to one of our resident organisations, before transferring to the National Theatre, London.

This production is the first Welsh refugee story brought to the stage. It was written by **Hamed Amiri** and adapted into a stage production by **Hamed** and writer **Phil Porter**.

The play tells the incredible true story of the **Amiri** family's treacherous journey from Afghanistan and across Europe to the UK as they fled the Taliban in 2000. Thrown into an unfamiliar world of fake passports and untrustworthy handlers, the **Amiris** had to learn to live with nothing and avoid capture at all costs. **Hamed's** elder brother, **Hussein**, had a life-threatening heart condition which made the journey all the more critical, and the play serves as a love letter to the NHS who treated him when the **Amiris** settled in Cardiff.

The show was seen by over 16,000 audience members and received standing ovations across its six-week run. It was also filmed during the run and is now available on the National Theatre's NT Live platform allowing more people to access the story. All schools in England and Wales can access this platform free of charge.

"The most culturally diverse audience I've ever experienced in any theatre anywhere" - Audience member, social media.
'...a show that deserves as wide an audience as possible, from schoolchildren to politicians.' - The Guardian 4 review*



TRUSTEES' REPORT *(continued)*

We were thrilled to bring our Welsh Language musical, Anthem, to our audiences in July 2022.

Four regions. Four songs. One prize. With the land of song judging from their sofas, who will come out on top?

Anthem is the nation's biggest (fake) TV singing competition. Join the contestants as they share their songs and lives with us. There will be wind machines. There will be key changes. There will be plenty of arguments on Twitter.

Written by Llinos Mai, Anthem is a social commentary with a lot of heart, celebrating contemporary Wales. Anthem pushes the boundaries of Welsh language theatre and the show's scale, digital integration and inclusive casting make it unique in terms of what has gone before.

Hosted in our Weston Studio, Anthem reached new and extended audiences across its ten-day run, with 1,200 people attending, of which 89% were Welsh speakers, compared to 16% of our commercial DGT bookers during the same period. The production also evoked positive press coverage. In July, actor Iestyn Arwel discussed Anthem on BBC Radio Cymru and S4C's Heno also went behind the scenes on the production. Along with a 4-star review in The Stage, S4C's Angharad Mair called it "hilarious" and South Wales Life "came out of the studio with a renewed enthusiasm to learn the language".

Anthem's audience and critical reception was a key step forward for us in our role as a producer of Welsh language work, and in 2023 and beyond we are excited to push forward with even bolder and bigger Welsh language storytelling.

In Autumn 2022 we welcomed our ground-breaking theatre-grime mash-up, The Making of Monster to our Weston Studio.

Performed and written by Connor Allen, Children's Laureate Wales in 2021, The Making of a Monster is a semi-autobiographical story based on Connor's experiences growing up mixed race in Newport with an absent father. It explores themes of racism, domestic violence, identity and second chances. The show is part spoken-word, part storytelling and part Grime music, a unique combination that draws on Connor's love of, and escape into, Grime and lyricism throughout his life.

The production received a wide range of press coverage with 4 and 5 star reviews across the board. It welcomed over 1,200 audience members across its ten-day run, seeing a high proportion of younger and more ethnically diverse bookers. 40% of bookers were under 35 versus 17% in our commercial theatre and 19% were of Black, Asian and Minority Ethnicities as compared to only 2% in our commercial theatre.

'Wow... It's been a while since I've been emotional over a piece of theatre, but 'The Making of a Monster' @theCentre was absolutely outstanding!'

'What an amazing show!!! I felt so many different emotions. If you're reading this, I urge you to go and see it - one of the best things I've watched all year...'

Audience Members feedback via Twitter

We will continue to use our Weston Studio primarily for our own productions, showcasing Wales-based talent and building our reputation as a creative producer. By reframing how we work, and who we work with, we are already seeing a diversification of the stories we tell, the artists that tell them, and the audiences that engage.

4.3 Cabaret

Our diverse cabaret programme continued to build new audiences, and provide a safe space for a diverse range of artists.

Our second WMC produced Christmas cabaret show, The Lion, The Bltch and The Wardrobe, launched our rebranded Cabaret programme in December 2022.

The show was a sellout success and received an excellent response with over 40 pieces of press coverage. The inclusive production showcased the best of circus, drag and burlesque and welcomed back the diverse creative talent behind our 2021 Christmas cabaret, XXXmas Carol.

The show engaged with new audiences and artists across its 3-week run. Over 2,667 people attended across 17 performances. A higher proportion of bookers for Cabaret were gay and bisexual than in our main theatre period during the same period (19% versus 5%).

February 2023 saw the launch of our new Cabaret space, with over 120 seats, it is the first purpose-built venue of its scale in Wales.

This venue showcases new art forms, builds community, encourages experimentation and nurtures local and emerging artists. Our year-round programme is diverse and inclusive, makes space for different voices, and embraces the new.

Grandmothers Closet, our musical co-production with artist Luke Hereford, returned to WMC as one of the first shows in the new Cabaret venue. This followed a sold-out run at WMC in April 2022, and further performances at the Edinburgh Fringe, in Manchester, Bristol, and Oslo, Norway.

We staged 22 productions and welcomed over 5,700 people through the doors in the 2022/23 Cabaret Season. This audience was much more diverse than that for our commercial programme:



TRUSTEES' REPORT *(continued)*

- 42% of bookers in our Cabaret space are gay or bisexual, compared to 7% of our commercial theatre bookers over the period and 5% of Cardiff's population (2021 census). 3% indicated they were non-binary, compared to less than 1% of commercial bookers.
- 38% are under 35, compared to just 11% of commercial bookers and 50% of Cardiff's population (2021 census).
- 5% are of Black, Asian and Minority Ethnicities (including mixed/multiple ethnicities) compared to just 2% of commercial bookers and 9.7% of Cardiff's population (2021 census).
- 22% of Cabaret bookers speak Welsh, compared to 15% of commercial bookers and 11% of the Cardiff population (2021 census).

4.4 Attendances in our spaces

	2022/23	2021/22 Gradual reopening from May 2021	2020/21 Closed throughout	2019/20	2018/19
Total visits to Wales Millennium Centre (Inc ticket buyers)	1,126,471 ¹	317,947	0	1,586,426	1,782,103
Donald Gordon Theatre: Number of performances ²	317	147	0	266	317
Donald Gordon Theatre: Audience Numbers (Performances)	426,826	130,914	0	386,778	417,040
Donald Gordon Theatre: Number of Events ³	19	0	0	10	10
Donald Gordon Theatre: Event Attendees (where ticketed)	32,037 ⁴	0	0	17,018	16,086
Weston Studio: Performances	64 ⁵	81	0	96	104
Weston Studio: Audience Numbers	8,247	7,283	0	11,449	9,755
Cabaret: Performances in Cabaret Venue Opened February 2023	27				
Cabaret: Audience Numbers	2,713				

¹ Various factors have impacted our general footfall figures since re-opening. Extensive building and refurbishment work in our front-of-house spaces contributed to lower footfall, with audiences directed to use our side entrances from 14 November 2022 to 20 March 2023, while work took place in our main concourse. We also replaced our ageing footfall sensor system during lockdown, with the new system more accurately capturing footfall. More widely, we continue to see changes in visitor behaviours, in light of covid concerns and increased remote working. Fewer mass events have also taken place in Cardiff Bay in recent years, such as food and drink festivals, and fewer corporate hires are taking place in our building.

² 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. Lais performances are counted separately.

³ Donald Gordon Theatre Events includes private hire award ceremonies and private hire 'audience' events such as 'An Evening with...'. In more recent years these have been mainly graduation ceremonies.

⁴ We hosted three years' worth of CMET graduations in 2022/23, across 19 graduation ceremonies in total, accounting for the higher proportion of DGT event attendees this year.

⁵ The reduction in Weston Studio performances during 2022/23 compared to 2022/21 reflects a change in strategy for the space to be used for rehearsing and presenting our own productions, rather than external ones. Performance and audience numbers include our Christmas Cabaret show which took place before the new Cabaret venue opened.



TRUSTEES' REPORT *(continued)*

4.5 Digital Experiences

Digital storytelling is a powerful medium. We continue to invest in and push the boundaries of this form of storytelling. We are working with young Welsh talent, emerging digital creatives, and more established creatives to discover important and diverse stories to share internationally, both on our stages and digitally.

In August 2022 we unveiled Bocs, our ground-breaking new venue, dedicated to immersive and extended reality experiences. This is the first venue of its kind in a UK arts centre. It allows us to create and show our own work and bring pioneering digital experiences to audiences in Wales.

We are building relationships with production companies, to share expertise in our respective fields - the ambition being the creation of high quality, combined digital and live performances. This was seen in the presenting of *In Pursuits of Repetitive Beats* as part of our Llais festival in 2022.

Ten unique experiences were shown across our spaces in 2022/23, with seven of these taking place in Bocs. The first experience to open the space was our own returning VR production, *Ripples of Kindness*, which was developed alongside our WMC production *The Boy With Two Hearts* as an alternative way of telling the story that could reach a wider audience. All experiences in Bocs have been free and have reached over 2,000 audience members.

In addition to creating and hosting immersive experiences and extended reality, we have hosted digital industry talks and pioneering discussions.

Feedback has been overwhelmingly positive with the following highlights:

- 81% of immersive experience audiences were 'emotionally moved' by the experience they attended;
- 92% were impressed by the technology used;
- 88% think immersive experiences can be just as impactful as theatre, film and TV;
- 94% would like to see us offer more immersive experiences in future.

4.6 Llais – our International Arts Festival

Our annual international arts festival, Llais, returned in October 2022, showcasing diverse, local, national, and international talent. Llais provides a window into all our creative work, bringing together the best artists, young people and communities in a celebration of the one instrument we all share, our voice (Llais).

A varied public programme of co-curated free performances and events fed into and enhanced Llais's chargeable ticketed strand. This free programme included talks, exhibitions, performances, and activities created with and for young people.

Working with artists from across Wales, we had a particular emphasis on emerging artists sharing our stage and collaborating with international artists. Our 'Next Up' programme, which puts a spotlight on emerging MOBO artists from Wales, saw Grime veteran D Double E headline the Weston Studio at Llais. This event was co-curated with and for young people and supported by some of the finest emerging artists from across Wales.

Llais brought new artists and audiences through the doors, with 51% of bookers being new to WMC. A total of 16,317 people came through our doors during Llais's festival weekend, with over a third of these (6,154) purchasing tickets.

We received record-breaking post-pandemic press coverage, with Llais coverage included in *The Times*, *The Guardian*, *The Telegraph*, 6 Music and extensive Welsh TV, radio, online and print coverage.

Llais 2022 brought us closer to our vision of a festival that celebrates and amplifies voices of artists, young people, communities and audiences. We are cementing the festival as annual staple in Cardiff's calendar, continuing to work with Cardiff Council, Welsh Government and other partners to agree a funding model that will allow the festival to continue to develop and grow over the next few years, contributing to a signature event as part of establishing Cardiff City of Music.

Llais 2023 will take place between 11 and 15 October 2023.

4.7 Supporting Artists

We are aware of the inequalities in our sector and many freelance artists and creatives continued to struggle coming out of the pandemic, unable to develop their creative practice, finding themselves out of work and often ineligible for any of the pandemic related financial support schemes.

One of our core aims as a Producing House is to make space for artists to develop their projects.

We 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 provide free rehearsal space, professional advice and support, and resources for a wide range of artists and cultural freelancers in Wales to play, explore and grow their own work.

TRUSTEES' REPORT *(continued)*

During 2022/23, we offered 80+ community organisations and artists over 2,000 hours of space in kind, for rehearsals, research & development, filming and workshops.

Previously delivered online, in November 2022, we also re-launched our monthly 'Open Office' programme, in person, providing guidance and support from producers to artists, with 30 one-on-one sessions offered.

'...The artists we speak to feedback that having the opportunity to talk through their ideas is really useful, as well as get some advice on what to do next, and to learn how we operate as a production house more generally.'

Frankie Rose Taylor, our Assistant Producer and Open Office facilitator

This year we launched our **ARISE – Wales Creatives** programme which was successfully delivered in partnership with theatre company, Fio. This is a paid professional development programme for producers and directors, targeting participants with protected characteristics. Eight producers and ten directors were appointed during the year and WMC has invested £25,000 over two years in the programme.

With our support, Fio were also successful in securing additional funding from the Arts Council of Wales to extend and develop the programme. We will now be working with them to provide meaningful developmental support and space to Welsh global majority artists.

Our Creative Associates programme continued for its second year.

Our eight Creative Associates are informing our vision and leading conversations at WMC. These artists were paid to work with us, on a part or full time basis, with their time spent equally between working with us and .., with associates working on a part or full time band developing their own practice. This programme ended in May 2023. The programme will be evaluated, and the results used to influence future Creative Associate programmes, and the raising of funds to deliver them.

During 2022/23:

- Tumi Williams curated elements of Llais, delivered Hard Côr (one of our Creative Learning programmes) and contributed to the development of our Creative Voice courses.
- Ndidi John supported our Youth Theatre programme as a facilitator, delivered elements of our wellbeing programme, and contributed to the organisation's health and wellbeing strategy more widely.
- Jo Fong, with WMC support, toured her work, The Rest of Our Lives. She also organised, facilitated and hosted her project, How Shall We Begin Again? on our main stage, inviting many new people into the building and onto our stage.
- Nerida Bradley supported on some of our productions, including Grandmother's Closet, and The Lion the Bltch and the Wardrobe, and developed a partnership with Cardiff Royal Infirmary working through creative practice to engage communities in healthcare and well-being, including working with Llamau.
- Tafsila Khan explored her pathway as a visually impaired director, supported our productions, including The Boy with Two Hearts, and is currently making a proposal for a new show about her experiences as a visually impaired woman. She is also a member of our internal EDI network, Newid and has delivered visual impairment awareness training for the organisation.
- Ruslan Pilyarov launched a Muslim Creative network, 'Now In A Minute Media' at WMC with an event looking at the relationship between Islam and Creative Careers, and created digital content for various departments across the organisation.
- Sita Thomas worked on the development of our ARISE -Wales Creatives programme.
- Jaffrin Khan delivered workshops with our Valued Partnership schools. She is also working with our community team on events celebrating Bangladeshi and South Asian culture. She is developing her practice as a multi-disciplinary artist and establishing a creative base in London.

4.8 Creative Learning

Our Creative Learning programme aims to engage young people in the arts, targeting groups who would not otherwise have access. We focus on developing creative skills, building confidence, and fostering creative connections. Taking the lead from our young communities, we continue to deliver popular, in-depth targeted programmes and workshops across Wales.

Over 6,500 young people aged between 11–24-years old from across Wales have participated across 1,350 free creative activities, spanning training and apprenticeships, industry networking, talent showcases, youth consultation, and much more.

TRUSTEES' REPORT *(continued)*

Core programmes delivered this year include:

- **Radio Platform** – our youth-led radio station and training programme based in WMC and The Factory in Porth in the Rhondda Valley. During 2022/23, over 80 young people took part in in-depth accredited Radio Platform training, and 1,200 youth-led radio shows were broadcast from our stations. We have also welcomed 11 young people into paid roles within Radio Platform, as part of the programme's rolling youth-employment scheme.
- **Creative Voice** – a unique training programme offering young people the platform to explore their interests, express themselves, build creative confidence, and to share their narrative through practical learning. In 2022/23, 186 young people each gained six hours of in-depth training alongside industry professionals, through 27 Creative Voice courses, including Costume Design, Song Writing and Graffiti. Creative Voice courses weren't just limited to our building. We offered regular Radio courses in the South Wales Valleys through our Together Stronger programme, and partnered with Llamau, a homelessness charity, to deliver a Table-Top course at their Newport centre. We collaborated with YMCA Swansea to provide a Music Video course for young carers in Swansea, and our Story Lab course was held online in partnership with local theatre company, Flossy and Boo.
- **Life Hack** – a free event open to young people aged between 11-25 years of age delivered as part of our Together Stronger partnership with Valleys Kids. Life Hack aims to inspire young people through creative and interactive workshops with industry professionals. Each Life Hack runs from 2pm until 10pm, closing with a silent disco. 146 young people from the Valleys and South Wales took part in three Life Hack events in 2022/23, with two taking place in The Factory, Porth, and the third making a debut at Wales Millennium Centre during our international arts festival, Llais. Of those surveyed, 89% reported that Life Hack had boosted their confidence.
- **Hard Cŵr** – our vocal collective for young people, brings those aged 16–25 who live in Cardiff together to sing, rap, beatbox and create music. It is delivered in partnership with National Youth Arts Wales. The ten young people involved during 2022/23 engaged in over 40 hours of musical exploration alongside three facilitators specialising in Soul, Mcing and Beatboxing. The project culminated in the young people showcasing their talents at curtain-raiser performances for our grime-musical production, *The Making of a Monster*.

'It felt like another family and community full of diversity.' **Hard Cŵr member**

- **Digital Creative Pathways** – the UK's first accredited creative junior apprenticeship scheme. This programme has been run in conjunction with Cardiff and Vale College since September 2022. The scheme is aimed at key stage 4 learners (14 – 16 years old) who have been identified by their schools as vulnerable or at risk of disengaging from education. Each week during the academic year, seven young apprentices received over 12 hours of in-depth mentoring, developing skills in technical theatre, graphic design, events planning and interviewing, with five of them achieving BTEC Level 2 Workshops skills.
- **Valued Partnerships** – a schools programme set up through Careers Wales to offer an overview of "What goes on under Wales Millennium Centre's roof?" In 2022/23, working with our 6 partner secondary schools from across South Wales, we organised sessions for over 75 pupils, who each gained over 6 hours of behind-the-scenes industry insights.
- **Youth Collective** – the youth-led governance model offers young people the opportunity 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 aim to serve. This year our Youth Collective has continued to inform our Maker Space developments, including branding of the space and development of programme content. Annual event "Dros Nos". Our unique annual sleepover event, inviting youth groups from across Wales to engage with the creative industries, to meet new people, and develop their skills. Many of the young people who take part have never been to WMC.

November 2022's Dros Nos brought together a diverse group of 40 young people from our partner youth-group organisations, including Cardiff Youth Services, Mess up the Mess, Llamau, and Valleys Kids. Over 24 hours, the groups took part in workshops and activities facilitated by experienced professionals, featuring dance, lyric writing, beatboxing, and visual arts.

Our Youth Collective played a lead role in curating the day's activities, including a post-show Q&A with Conner Allen, the creator behind our production, *The Making of a Monster*. To ensure a comfortable and inclusive environment for everyone, a dedicated Wellbeing Officer was also on hand throughout the weekend.

"[I gained] new skills and a wider perception of the world"

"New experiences, new faces, feeling like my creativity was actually put to use."

Hugely positive feedback from young people in attendance reinforces the value of our activities in helping to bring a broad mix of young people together and build creative confidence. 100% of young people surveyed agreed that Dros Nos had boosted their confidence and allowed them to express themselves. They all also agreed that they'd had the freedom to explore subjects that were important to them and over three-quarters agreed that they had developed new connections or friendships.

4.9 Apprenticeships

We continued to run the Wales Shared Technical Apprentices scheme with Cardiff and Vale College (CAVC), supporting practitioners with a passion for the live arts to gain the necessary skills to excel in a career in backstage theatre.

TRUSTEES' REPORT *(continued)*

The programme offers year-long, paid, full-time apprenticeships in backstage technical theatre, while providing venues across Wales with young trainees that support their workload, bringing new insight and the latest industry knowledge.

The apprentices worked towards a Level 3 certification in Technical Theatre: Sound, Light and Stage (CAVC) and they also obtained the Association of British Theatre Technicians (ABTT) Bronze Award focussing on flying practice, ropes & knots, and electrical care. We also offered certification in Riggering,

PAT Testing and IPAF training. For any apprentices without GCSEs in English or Maths, there was also training and a qualification in basic numeracy and literacy available.

During 2022/23, seven apprentices were supported across the scheme. One of our apprentices was a young person who has engaged in our creative learning programmes for some time, including Together Stronger, Life Hack and Radio Platform.

Of the seven apprentices, three shared their time between WMC and WNO, two were placed with Theatre Clwyd, and Theatr Brycheiniog and Aberystwyth Arts Centre supported one apprentice each.

The current cohort will complete their apprenticeships by October 2023. We are currently recruiting for our next intake.

4.10 Community partnerships and engagement

During this year, we continued to focus on building community voice and representation and being a home for all.

We collaborated with over 50 local partners, communities and artists to animate our building with free family activities, events and performance that celebrate Wales's diverse traditions, cultural practices, faiths, and creative talent.

160 cultural celebrations and community performances welcomed 11,000+ community members into our building and the surrounding Bay area.

Nine community and youth-led exhibitions have welcomed over 25,900 visitors.

- In June 2022, we honoured Windrush Generation Cymru and their invaluable contributions to Welsh life. Our intergenerational Windrush Banquet brought together over 180 people to enjoy food, dance, and conversation. Community members performed dance and song and chef Geraldine Trotman crafted a Caribbean inspired menu. The banquet also launched Race Council Cymru's Windrush Exhibition, *Our Voices, Our Stories, Our History*, which showcased the stories of over 40 Windrush Generation Cymru members to over 2,000 visitors. Our Windrush Day event on 22 June 2022, co-curated with Race Council Cymru, bought our Glanfa to life with gospel choirs, songs and talks, and was attended by over 400 elders and community members.

'Recognising and celebrating contributions of Caribbean's to the UK – so privileged to have my picture, name and parents' story as part of the exhibition - National Windrush Day 🇬🇧'

Audience feedback on Twitter

- In August 2022, we celebrated our biggest Butetown Carnival yet, thanks to strong partnerships with lead organiser Butetown Arts Creative Association (BACA), Cardiff Council, Senedd Cymru, and Cardiff Community Housing Association. The bank holiday event attracted over 400 people across its intergenerational parade, free family craft workshops, and musical performances in and around our building. We also showcased our first-ever carnival main stage community take-over with the popular Johnny Clarke and the Dub Asante Band's Carnival Finale.

"This is our tenth year and Wales Millennium Centre has been alongside us ever since the beginning. As Carnival has grown and developed and got bigger, so has Wales Millennium Centre's input."

Keith Murrell, Creative Director of BACA

- In October 2022 we celebrated Diwali in partnership with Wales Tamil Sangham. The festivities welcomed over 200 people into our building to join in prayer, music and Tamil and Celtic dance.
- We also celebrated Black History Month, where we commissioned Tŷ Cerdd's Affricerdd Project and Beacons's Honey Sessions to curate pre-show live music on our Glanfa stage prior to each performance of *The Colour Purple*. The series highlighted the wealth of Black Welsh musical talent, from balafon virtuoso N'famady Kouyaté to the soulful delights of Aisha Kigs.
- In December 2022, as part of our Winter Exhibition, Azadi, we celebrated Shab-e Yalda, a Persian festival, for the first time. The unforgettable event, co-curated with Swansea artist Naz Syed, attracted over 170 people to enjoy live music, a Persian funk music DJ, spoken word, a craftivism workshop, a fashion show, free Persian food, and more.
- In March 2023, we celebrated St David's Day with over 250 members of the community. We provided a platform for local music groups to perform, including Oasis One World Choir, River Music, Pelenna Valley Male Voice Choir, and Celtic Café. Local refugee charity Oasis Cardiff also served free bowls of cawl during the event.

TRUSTEES' REPORT *(continued)*

4.11 Reimagining our Space

As a home of creativity in Wales, the role we play in providing welcoming, accessible, and inviting spaces for communities to use is a crucial aspect of our commitment to nurturing creativity and community connectivity.

We have completed phase 1a of our long term capital project, Project Capella, this year. Radical changes to our front-of-house areas have helped us become more welcoming and accessible. We now offer spaces for meeting and flexible working alongside our brand new café bar, Ffwrnais. We need to generate additional revenues from this new venue, but as a free to access public building, there is no obligation to make a purchase to access the colourful new spaces. The collaborative working desks are proving popular and are regularly used by our own teams as a great space in which to work collaboratively, as well as by the local community.

Our new Cabaret and digital venues, as mentioned previously, were completed as part of this project.

Work is also underway on our upgraded members' lounge, for WMC supporters to meet and relax, with its private bar and toilet facilities. The refurbished lounge is scheduled for completion in Summer 2023.

As part of the development of our Makerspaces project we are trialling the idea of a community living room. Our Lolfa is an open space for our visitors and neighbours, equipped with informal seating, books, space for play, conversation and creativity, and a discreet food larder and fresh herb garden for anyone to use. Lolfa will help us understand how communities and audiences want to use our spaces, feeding into the design and development of the South Side of our building for the future.

In phase 2 of Capella, following extensive consultations with communities and creative partners, we will create permanent purpose-built studio spaces. Under the new name "Platform", these spaces will be led and run by young people. This project is a redevelopment of the South Side of our building connected to our main Glanfa area. We have completed a feasibility study with leading architects alongside representatives of all the key groups that will access the spaces – young people, communities, creative and training organisations and schools. The spaces will include recording studios, digital labs, a new rehearsal and performance space, a new radio station and a makers' workshop. With the assistance of our youth consultation group, we are currently developing the brand and operational plans for these spaces.

We will start the build as soon as funding is secured.

Once fully realised Platform will enable over 10,000 young people and creatives to co-develop and access our programmes on an annual basis.

We are also working on changes to the North Side of the building that will focus on Digital Experiences. This will include housing the National Broadcast Archive in partnership with National Library Wales, the creation of a digital arcade that will be trialled in 2023 and the continued development of our BOCS programme. BOCS showcases a range of digital productions from screen to VR, AI and other immersive and interactive technologies.

4.12 Accessibility

To truly be a creative home for all, it is vital that everyone can access us. Accessibility is a core principle of our work.

Accessible productions

In the last year we built on the work started in 2021/22 and have included creative captioning and audio descriptions in all of our own productions, making them more accessible to D/deaf and visually impaired audiences.

We continue to ensure our production teams align with the diverse communities represented in the stories we are telling. We negotiate with external producers to ensure that physical accessibility is included as part of our contractual terms with them.

Economic Access

Whilst we continued to develop demand-based dynamic pricing on our commercial shows in the Donald Gordon Theatre, we ensured that entry-level ticket prices were not affected.

We launched our Community Seating programme in 2021/22. With the support of our 50 Community Ambassadors, we continued to offer 'pay what you can' tickets across our performances, to community members and groups who may otherwise face financial barriers to attending. The scheme is implemented by using a combination of negotiations with producers and using our dedicated community seating. In 2022/23, we distributed over 3,200 'pay what you can' tickets, saving communities over £83,000 in ticketing costs. Some of our most popular shows included *Les Misérables*, *The Lion King* and *The Colour Purple*.

'...traditionally musical theatre in a large venue is seen by our community to be upper class and quite intimidating – so this has really made us feel welcomed so much!'

The *Colour Purple* audience member who attended with 'pay what you can' tickets.



The scheme is helping to diversify our audiences: 22% of 'pay what you can' bookers have a disability, compared with 11% of wider DGT bookers, and less than 1% of the national population and 17% of bookers are from areas categorised as the most deprived areas of Wales, according to Welsh Government's Communities First programme. This compares to 10% of wider commercial bookers for shows in the DGT during the same period.

The 'pay what you can' scheme operates in our Weston Theatre and Cabaret venue, and all of the digital experiences in Bocs are free. This ensures that the arts are accessible to all.

We also participate in Tempo Time Credits, whereby volunteers can spend their 'time credits' on theatre tickets at WMC.

Physical access and inclusivity

The physical accessibility and inclusivity of our spaces remain a priority as we design and implement new spaces within our building. Bocs is fully wheelchair accessible, and Cabaret has been designed with our audiences in mind, including the installation of gender-neutral toilets. We have also created a dedicated Quiet Room in our main Glanfa area, which anyone can use if they are feeling overwhelmed, need privacy, or if they need a space for prayer.

In 2022/23 we sold 7,471 tickets through the Hynt ticketing scheme, which is a national access scheme ensuring that there is a consistent offer available for visitors with an impairment or specific access requirement. The tickets are available online, as well as by phone and in person, which is not the case at every venue.

4.13 Diversifying and skilled workforce

We want WMC to be a home for all – embracing and involving everyone and celebrating our differences, as an individual or group. We strive to tell stories and amplify diverse voices, on our stages and in all parts of our work and culture. We speak about the importance of the arts every day, but we must do more to encourage access to different people from a range of backgrounds to join us.

Our Diversity Action Plan, which outlines the steps we are taking to make our programme, our workplace and our building more inclusive and representative, continues to guide our work. We celebrate diversity and we need to pay attention in equal measure to strategy, systems, and process as well as our culture, values, and behaviours. Only when strategy and culture are aligned can we create sustained inclusion.

Leadership and workforce key highlights – 2022-23:

- Improved data capture – we continue to improve data capture in respect of the individuals with whom we engage so we can better track their diversity. This helps to focus our work in specific areas to ensure we are inclusive of underrepresented groups. We have established data capture systems to collect information from visiting companies in line with Equality monitoring.
- Policy reviews – we reviewed all HR policies, complete with Equality Impact Assessments, to identify any likely impacts on protected characteristics and to conform to the Welsh Language Standards. Some of our policies have also been audited by our partners Stonewall, e.g., our Family policies.
- Staff and Trustee diversity training - our training sessions promote diversity and educate our staff at all levels about what diversity and inclusive thinking means to us in our day-to-day interactions with colleagues, customers, visitors, and stakeholders. 2022/23 staff training included but was not limited to: 'End the Awkward' with Scope, Show Racism the Red Card, Stonewall LGBT Allyship Empowerment, and Let's Talk About Race. Specific training was also provided from Stonewall on Inclusive Service Delivery, and the arts and creative teams had specific Deaf Awareness training following the recruitment of a staff member who is deaf.
- Accreditation and assessed practises – we continued to be an accredited Living Wage employer and a Disability Confident Employer, following the relevant frameworks to ensure we retain the accreditations.
- Workforce Networks – we continued to run our diversity & inclusion employee network, Newid. All departments are represented. This group helps to build relationships, to create learning opportunities and to encourage discussions on the topic of diversity and inclusion. Newid's specific sub-groups focus on specific needs across the organisation in relation to disability, race & ethnicity, LGBTQ+, gender, neurodiversity, socio-economic position, and Welsh language.
- Developing our managers – in February 2023, we launched Aspire, our three-month development programme to increase the capability of all managers in the organisation, focusing on best practice to equip them with the tools to manage their teams successfully.
- Career enlightenment – we offered Valued Partnerships introductory sessions to secondary school partners and Careers Wales, engaging with young people to introduce them to opportunities at WMC. Through this work we are ensuring pupils in areas of limited arts provision are shown potential careers available to them within the Creative Industries. This should enhance the pipeline of diverse talent into the arts and WMC workforce in the future.
- Employment opportunities – we provided pre-application training for under-represented groups who want to apply and join WMC. Our HR team have also carried out outreach through Cardiff Council's 'Cardiff Commitment' programme, engaging with local schools to promote our creative pathways, as well as to building relationships with local teachers.

TRUSTEES' REPORT *(continued)*

- Partnerships and sector relationships – we continued to invest in and be aided by partnerships with organisations skilled in supporting underrepresented groups at WMC, with partners including Stonewall, Remploy, Citizen Cymru and Boss and Brew. We have continued to develop our relationship with Jobcentre Plus, local employment mentors, and Careers Wales to discuss how we work with young people who feel marginalised and unable to secure work in the arts sector.
- Apprenticeships – we continued our Technical Apprenticeship Programme and the Digital Creative Pathways apprenticeship scheme in partnership with CAVC. Providing opportunities that are not available elsewhere, young people can gain access to careers in the Creative Industries, ensuring a more diverse workforce for the future.

4.14 Volunteering

Our volunteer scheme was introduced in 2017 and creates an opportunity for community members to engage with WMC in new and unique ways. They volunteer in front of house predominantly and are an invaluable part of our excellent customer service. The usual ushering volunteer roles were available during the year and our volunteers have also provided outstanding customer service in our new digital venue Bocs, and supported our community events, including our first Iftar, as well as being 'welcome hosts' during the period of disruption caused by the construction work front of house

Our volunteers' continued involvement post pandemic demonstrates their ongoing commitment to the WMC. In 2022/23:

- Our family of volunteers increased by 11%, to a total of 217. We welcomed 73 new volunteers, and our retention rate remains high.
- Each volunteer contributed an average of 112 hours of their time to WMC during the year, a combined total of 22,775 hours.

Our volunteers are proud to give their time to WMC.

'[It's] such a privilege to share the experience of the shows and activities with the general public in this magnificent building'.

'I love it here and am thankful for the experience gained, opportunities to try new things, and the pleasure I have and continue to have as part of the Wales Millennium Centre family.'

Volunteer feedback

Our Annual Volunteer Survey in March 2023 reveals volunteers' joy in giving back to the community, connecting with like-minded individuals, and sharing the transformative impact of live theatre with our audiences.

94% of our volunteers are proud to give their time to WMC and more than half feel that their confidence has increased.

We continue to extend the reach and awareness of our volunteer programme.

During the year, this included: visits to local colleges in Cardiff and Merthyr and attendance at freshers' fairs; updating our volunteer webpages; advertising on Cardiff Third Sector Council; and meeting with Prince's Trust to embed our opportunities into their practices. We have also been delighted to welcome several individuals who have initially engaged with us through Boss & Brew training, and as a result of that experience, have chosen to join our volunteer programme.

Whilst we are still capturing data from our long standing volunteers, the data we do have highlights that we have also diversified the group and will aim to continue to do so:

- They are younger - 16% are under 30 (up from 8% last year)
- There is better gender balance - a third are now male - higher than at any previous point since launching the programme.
- There is a wider range of ethnicity - 7% are Black, Asian and ethnically diverse (including mixed/multiple ethnic groups) - the highest proportion since 2018.

We continue to receive sector recognition for our volunteering efforts, both as an organisation that offers volunteering opportunities, but also through our participation in Tempo Time Credits Network.

We are proud to note that during the year our Volunteer Coordinator, was again nominated for Volunteer Coordinator of the Year at the Cardiff Third Sector Council Volunteer Awards. Whilst she did not win this award, she was given a special recognition award for the number of nominations she received and for the size of our programme and all the duties she undertakes.

TRUSTEES' REPORT *(continued)*

4.15 Partners in Creativity

Working in partnership is integral to the work that WMC 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. These are some of our key partnerships from this year.

Education and Creative Learning

Royal Welsh College of Music and Drama (RWCMD) – working in a number of ways, primarily hosting placements and guest lecturing to support their MA in Arts Management.

Cardiff and Vale College - delivers high-quality training and education within the Capital Region of Wales. We worked in partnership with CAVC on our technical apprentice programme and our Digital Pathways apprenticeship scheme. We are also working with them on the development of our Maker Spaces project, Plattform.

Careers Wales - provides independent and impartial careers information, advice and guidance to young people and adults across Wales. We worked in partnership with Careers Wales on the delivery of our Valued Partnerships programme. The programme, hosted at WMC, offers our six partner secondary schools behind-the-scenes industry insights from specialists in their field.

Creative and Cultural Skills (CC Skills) – we share the CC Skills goal of enabling the creative and cultural industries to reach their economic potential through relevant skills and training. We continued to collaborate with them on the development of mentoring and personal development plans for the young people with whom we engage.

Valleys Kids - we continued our substantial and long-standing partnership with Valleys Kids, through our shared programme, Together Stronger. The programme is designed to provide creative opportunities for young people in the Valleys and has resulted in major transformational change for WMC. Together Stronger is primarily delivered by Valley Kids' youth arts project, Sparc, and our Creative Learning team.

Prince's Trust - we delivered Radio Plattform training with the Prince's Trust, and they support us to promote our Creative Voice programme.

ProMo Cymru – a creative organisation working to ensure young people and communities are informed, connected and heard. We work together to develop and deliver creative learning programmes including our Creative Voice Radio training course, as part of Radio Plattform.

YMCA Swansea - aim to improve the quality of life for children, young people and communities in Swansea and surrounding areas. In 2022/23 we worked with them on the delivery of a Creative Voice filmmaking course, which nine young carers took part in.

Llamau - a leading homelessness charity in Wales, supporting the most vulnerable young people and women. We worked with them on increasing the engagement and reach of our creative learning programmes, including Dros Nos, Creative Voice and placements.

Local schools – we work in partnership with local schools in a number of ways:

- **Valued Partnerships** – Six schools each visit WMC 3 times a year. Our six partner schools this year are: Fitzalan High School, Cathays High School, Willows High School (all Cardiff), Ysgol Garth Olwg (Welsh Language school, Pontypridd), Ysgol Y Deri (Special Needs School, Vale of Glamorgan) and St Julian's School (Newport).
- **Cardiff Commitment** (through Cardiff Council) – WMC attend a Business Forum with various local schools whereby South Wales based organisations meet with teachers to explore available opportunities. One of the initiatives through Cardiff Commitment is **Open your Eyes Week**: Pupils learn about career options early to combat ingrained stereotyping that sets in at primary age.
 - It challenges gender and class stereotypes to provide 'lightbulb moments' by bringing a variety of inspiring professionals into the classroom.
 - It enables pupils to discover their passions, develop their dreams, explore their place in the world of work
 - It realises our vision to be a city working in partnership to inspire its children and young people towards a better future.

Community

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 Butetown Carnival.

Oasis Cardiff - is a non-profit charity that aims to help Refugees and Asylum Seekers in Cardiff. We worked with them on a number of community programmes as well as working with their catering team to provide food at various community events, including our St David Day celebration on 1 March 2023.

TRUSTEES' REPORT *(continued)*

Wales Tamil Sangam - We worked with this group on a variety of projects including the celebration of Tamil New Year and Diwali.

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 Sing proud Cymru choir.

We also worked with freelance artists and facilitators on the delivery of community activity throughout the year and supported and collaborated with a range of community groups, projects, and charitable organisations via our 'pay what you can' community ticketing scheme.

Producing and presenting partners

Cwmni Frân Wen - are a Welsh language theatre company for young people from northwest Wales. We worked with them on our co-production of the Welsh language musical, Branwen: Dadeni, which will be presented on our Donald Gordon Theatre stage in November 2023.

We worked with many presenting partners during the year, bringing our productions to worldwide audiences. In 2022/23, these have included:

- National Theatre, London - The Boy with Two Hearts
- Kiln Theatre, London – Es & Flo
- FIVARS Festival, Los Angeles – Ripples of Kindness
- Encounters Film Festival, Bristol – Ripples of Kindness
- Qld XR Festival, Australia – Ripples of Kindness
- Summerhall, Edinburgh – Grandmothers Closet
- Contact, Manchester – Grandmothers Closet
- Det Andre Teatret, Norway – Grandmothers Closet

Collaboration with creatives from across Wales

Our productions were also made possible through close collaboration with individual artists and cultural freelancers from across Wales. We provided space and resources for a wide range of creatives in Wales to play, explore and grow their own work.

National and sector-wide partnerships

Future Generations Commissioner - helping public bodies to think about the long-term impact their decisions have. We supported the Future Generations Leadership Academy and nominated a young person we have worked with to take part.

Creu Cymru - is the national member organisation for theatres and performing arts centres in Wales. We worked with them to collaborate, advocate and share information and resources with other venues across Wales.

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 worked together to find dance companies, with productions that will excite, challenge, entertain and inspire audiences.

Regional theatre venues - we routinely engage with a network of regional theatre venues to collaborate and share best practice, key challenges and opportunities.

Resident partnerships

We continue to meet regularly with WMC Centre's resident companies to further enhance our offer as a creative campus, and keep them up to date with infrastructural developments. We have also been working with residents on their visibility in the front of house areas and at potential creative collaborations through maker spaces design and immersive experiences.

- Urdd
- National Dance Company Wales
- Welsh National Opera
- Tŷ Cerdd

TRUSTEES' REPORT *(continued)*

- Touch Trust
- Literature Wales
- Hijinx
- BBC NOW

4.16 Tessitura Consortium

Tessitura is our core customer database, and it is used to manage all customer data including ticket sales, memberships, marketing campaigns, fundraising, e-mailing lists, community outreach data, and reporting. WMC 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.

This year we continued to integrate Tessitura with other WMC systems to improve efficiencies across the organisation. We completed a number of Tessitura projects including the automation of export and import processes with our finance system, Sage X3, to improve the efficiency and accuracy of daily reconciliations, and we developed an open API for Disney Tickets, to improve real-time reporting of ticket sales processed through third party agents.

We also worked with Tessitura Network to improve our ticketing process for Cardiff Metropolitan University Graduations. This has streamlined the ticket ordering & delivery processes.

During 2022-23 WNO & NDC Wales remained as Consortium Partners. We met regularly as a consortium to collaborate on joint process improvements in relation to data retention and data management. We attended the Tessitura Network Conference in March 2023 to hear about the next version release (V16) and plan our future roadmap.

4.17 Digitisation

We continue to develop our digitisation roadmap to drive operational efficiencies, lower costs, and meet audience expectations. Key developments this year have included:

- Ability to exchange tickets online within a production, subject to availability. Approximately 50% of exchanges are now completed online.
- Redesign of customer's **My Account** section on the website, enabling users to find and exchange tickets, access membership cards, and update settings more easily.
- Enhanced functionality for Group bookings - reservations, edits, and payments can all now be completed online – previously only available by phone or in person.
- Launch of Apple Pay to improve conversion rate, improve customer service and meet customer expectations.
- Standardisation of e-tickets across online and phone orders.

As a result of digitisation, more than 90% of our tickets are now sold online, and improved self-service functionality has resulted in less customer service demands on our contact centre. Daily average calls in 2022/23 were down 20% year-on-year, to an average of 156 calls a day. Daily average chats initiated via bot-supported web chat platform were up 17% year-on-year, to an average of 128 chats a day. Where web chat users required human assistance during staffed hours, we hit our target of successfully connecting 80% to an agent.

4.18 Media content and Storytelling across our platforms

Compared with the previous year, our page views have increased by 83% and our unique views by 90% and our news section's unique users increased by 20% year on year.

We categorise our social media content campaigns into three areas:

- Sales and footfall - encouraging people to buy and visit
- Creative opportunities - showcasing our artistic work
- Impact/storytelling - sharing meaningful stories.

We adjust the relative proportion of each dependent on the communication channel and the target audience we are trying to reach. Facebook continues to be our strongest social platform for DGT sales, whilst Instagram has been successful in reaching younger audiences across Cabaret, Llais and our creative opportunities.

TRUSTEES' REPORT *(continued)*

As our sales and audience numbers have recovered post-pandemic, so has our digital traffic and social media engagement. Compared to our last pre-pandemic year, 2019/20, 2022-23 has seen steady growth with an increase in engagement (+15.3%), new followers (+12.8%) and reach (+17.3%). Our focus on making unique video content on Meta platforms, in particular Instagram, has driven those numbers, with an increase of 84% in video views year on year.

Sales & Footfall

Facebook continues to be our strongest social platform for DGT sales, whilst Instagram has been successful in reaching younger audiences across Cabaret, Llais and our creative opportunities.

Our top news story in this category in 2022/23 was 'Top shows in 2023', which had 25K views.

Digital content continues to be an important part of our marketing campaign strategy for WMC Productions:

- In 2022/23, we created our first Welsh language TV advert for our Welsh production, Anthem. This ran for three weeks on S4C and was scheduled around some key programmes including the nation's Cŵr Cymru competition, Heno, Newyddion and the Urdd Eisteddfod. The advert achieved over 640,000 impacts and was also used as a digital advert on Meta, reaching over 5,000 local Welsh language users.
- We shot a music video in Newport with writer and performer Connor Allen in respect of the production, The Making of a Monster. This was our most viewed trailer in 2022/23, attracting 13,000 views as a result of a paid YouTube campaign. The trailer was also promoted on screens across our site.
- For our Cabaret venue launch, we created a trailer and an intensive content framework for Instagram, featuring behind-the-scenes video sketches with artists. The trailer was used as a multi-channel campaign across our socials, website, e-newsletters, and our on-site screens.
- To showcase Bocs, we made a trailer on our immersive experiences programme. We hosted this trailer on our website and our YouTube channel and promoted it on our socials.
- Llais also saw the creation of evergreen promo video content, featuring one of our Creative Associate's, Tumi Williams. During the festival, we covered front and backstage heavily with video and photography capturing the acts, set lists, audience reactions and interviews. We also shot a highlights reel and individual films with several acts which will be used in the run-up to the launch of Llais 2023.

Creative Opportunities

As our programme has grown, we have continued to publish call outs for artists, videos on our experiences for young people such as Life Hack and Nos Dros as a way of engaging more young people in future events.

We have also started creating videos with course leaders/young people introducing new courses for social media.

We are rebranding the creative learning offer to appeal better to young people and will be re-launching the Get Involved section of the website. This will include upcoming courses as well as short video case studies for young people to see what they could learn and mini trailers for courses that are run frequently. Subject to funding we will also have six to eight evergreen online courses on core topics that can be accessed and viewed anytime anywhere.

We would like to grow our email database of younger people to create more targeted communications about what's on for them. We will be working closely with creative learning staff and participants to develop the brand and tone of voice as well as a content framework for the new maker space social media channels.

Impact and Storytelling

We're firing imaginations with imaginative storytelling, both digitally and within our building.

Over the past year, we shot and published 13 video case studies under our series banner, We Fire Imaginations. This is more than we have ever done before. These included videos on a range of topics including

Kiara Sullivan who runs our Valleys Kids partnership in Porth

Radio Platform in Porth

Bethany Davies, one of our technical apprentices

Creative associate Tumi Williams

Hamed and Hessam Amiri on The Boy with Two Hearts

Llio James the textile designer who created our Ffwrnais cushions and exhibition

TRUSTEES' REPORT *(continued)*

At the heart of these films were the young people and artists with whom we work. These case studies received the most video engagement on our social platforms during the year.

We also showcased our work with communities, artists and young people on Instagram Reels and stories, resulting in our engagement growing by 125.5% compared to 2021/22.

We recently published a showreel for all that Wales Millennium Centre does and are currently reviewing our What we do and Your Visit sections of the website to streamline the content and ensure it is up to date in terms of user needs as well as our key messages.

In September, the largest digital screen installation of its kind in Europe was installed on the front of our building. Spanning 42 meters, the LG transparent film meters use vivid motion graphics to create another window into our work and to help invite new audiences inside using flexible messaging.

We developed the content for these screens with the external agency Orchard, with the aim of fostering a warm, inclusive welcome and a celebration of our spaces and programmed activity. The screens launched with a multi-lingual welcome message which brought much praise and comment from the community.

We have also added vinyl coverings to unused side panels to highlight stories from our local community.

Major new internal screens in Ffwrnais went live when the space opened in March 2023, enabling us to communicate key messages as well as promote shows more effectively to visitors to our building.

4.19 Fundraising

Fundraising continued to be challenging throughout 2022/23 in the aftermath of the Coronavirus pandemic. All potential sources of funds were impacted in some way by the pandemic, as was our development team. We are now rebuilding the team in the hope of raising additional funds to help us achieve our ambitions.

We raised a total of £1.1m in 2022/23, from donations, individual and corporate membership, major gifts, corporate partnerships and trusts and foundations. This is an increase of £0.6m compared to £0.5m raised 2019/20.

We successfully applied for a total of £0.5m of trust and foundation support from Moondance Foundation, Simon Gibson Charitable Trust, Mary Homfray Charitable Trust, Arts Council of Wales, Welsh Government and the Worshipful Livery Company of Wales.

We continue to be grateful to our family of corporate supporters, from whom £0.3m was generated from corporate support and partnerships. These included strategic partners, Cardiff Met University, who increased their support during the year to reflect the increased scale of their successful graduations. Our corporate partnerships with our official suppliers Parmer Cardiff/QPark, Glamorgan Brewing, and Future Inns continued. Admiral, Sony and Howell's School were among our corporate supporters.

We had a total of 1,377 members at the end of the financial year. Two thirds of our ffrind members and 94% of the higher tier members have renewed this year. Several individuals who are part of our Chair's Circle group, also made large personal donations.

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.

The team continue to review and update its ethical policy for corporate relations and 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.

5. Financial Review

5.1 During the year, the Charity had income of £26.5m (2022: £15.7m) and incurred expenditure of £27.4m (2022: £18.0m). Expenditure includes depreciation and amortisation of £2.3m (2022: £2.2m) both of which are non-cash items.

The financial year therefore shows a net expenditure of £1.5m (before depreciation and amortisation).

In line with Charity income recognition rules, the income from the Cultural Recovery Fund received in 2021/22 was recognised in full in the year it was received. The funds were placed in restricted reserves at the end of the financial year to be spent in line with the applications in subsequent financial years. As noted in previous financial statements, restricted net expenditure has been seen in 2022/23, the period in which these funds have been spent.

TRUSTEES' REPORT *(continued)*

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 principal funding sources within the business for the year ended 31 March 2023 (shown proportionately against total income) are theatre income 66% (2022: 36%); commercial income 13% (2022: 15%); donations and sponsorship income 4% (2022: 3%) and Grants, **Arts Council Wales** and Government support 17% (2022: 46%).

5.4 The current annual **Arts Council of Wales (ACW)** revenue funding agreement to 31 March 2023 (£3.6m) enabled the Charity to meet its contractual obligations 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 requirement of circa £500k. **ACW** had agreed an annual capital subsidy of £300k per annum, for the year ended 31 March 2023. 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. The directors recognise the risk posed by high levels of inflation on repair and maintenance costs and costs incurred as a result of an aging building and will continue to review the reserves to ensure they remain appropriate. Additional funds have been designated to ensure adequate investment in the charities assets in the coming year.

5.5 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. At the year end, the Centre held cash deposits and managed funds as detailed in Note 20.

5.6 The ability to establish financial reserves is a consequence of achieving an operating surplus in any given year. We anticipate that we will achieve a breakeven position in 2023/24.

Our reserves policy 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 capital investment.

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 uncertain times in which we live. Trustees have determined that an appropriate level of free reserves to address operational risks for the management of unexpected reductions in income or increases in expenditure, should equate to three months running costs (£1.6m currently, 2022: £1.6m) taking account of the current economic conditions and our business model. Whilst our free reserves are held at three months running costs, our total free and designated reserves combined stand at £2.9m, which equates to approximately five months running costs.

Free reserves at 31 March 2023 stand at £2.2m (2022: £2.5m). The current free reserves position is calculated using the unrestricted Net Current Assets of £2.8m plus £0.7m investment account, less the amount of designated funds of £1.3m (2022: £3m).

The Trustees have designated £0.6m for essential capital maintenance. During 2022/23, work began on our FOH redevelopment work enhancing our public spaces and creating the opportunity to generate further commercial revenues for reinvestment in our charitable purpose. To date, £3.5m of the £4.8m total project costs have been spent. Whilst the capital development reserve for this, and other, capital projects at 31 March 2023 is £0.5m, a commercial loan facility of £1.3m has been agreed in principle with our bankers, Lloyds Banking Group, to fund the anticipated shortfall.

6. Employee involvement and employment of disabled people

WMC did not escape the "Great Resignation 2022" with 39 resignations during the year. As a result, recruitment continued alongside rebuilding post pandemic and over 44 permanent and fixed term contract colleagues were appointed, and an additional 85 people engaged on zero hours contracts.

In addition to recruitment, other key activities during the year included: -

- To support improvements in the recruitment process, a new recruitment system, Blue Octopus was introduced. This system automates the process and provides greater self-service opportunities for both the recruiting manager and candidates and enables us to implement our positive action commitment to under-represented groups who apply for roles, as well as more easily tracking the progress of recruitment. WMC made the decision to move from anonymised recruitment to positive action as this was seen to be a more accessible way of recruiting from the groups that are currently under-represented at WMC.
- All HR policies have been re-written and published on the HR Hub. All policies will be reviewed annually to ensure they are up to date with current legislation and best practice, with the first annual review taking place in 2022/23.

TRUSTEES' REPORT *(continued)*

- An internal leadership development programme, ASPIRE was launched to strengthen the people leadership capabilities of existing managers. This will run through 2023-24, partnering with an external provider to deliver the skills element of the training.
- Succession planning has been undertaken during the year at Head of Department level and above, with a range of development actions identified to progress over the coming year.
- Remained a Real Living Wage accredited employer, with the real living wage setting the baseline for our salary structure.
- Further embedded the salary structure, implementing quarterly role levelling sessions to ensure that all roles are evaluated and mapped to the salary structure, ensuring salary for the role reflects the responsibilities of the role.
- WMC ran its first full engagement survey for permanent & fixed term colleagues since 2019, with a 96% return rate. Action plans have been created by each department with a company wide engagement plan created to address feedback received.
- In light of the cost-of-living crisis, we supported all colleagues via a one-off payment which was made over the last quarter of the year. Whilst different arrangements were in place, a cost-of-living payment was made to those on permanent, fixed term and zero-hour contracts.
- As part of Health and Well-being plans, WMC launched a number of new initiatives, including snack boxes, free toiletries and sanitary products as well as introducing a new benefit to staff in the form of a health cash plan with Medicash. This plan encourages employees to be pro-active with the management of their day-to-day physical health, and includes dental, optical and physiotherapy. Covering the cost of such treatments is especially important during the current cost of living crisis. This benefit complements our existing benefits surrounding mental health: Employee Assistance Programme, Mental Health First Aiders, and mental health & well-being workshops. Financial health was supported through financial education on pensions. A Health and Well-being survey was conducted in early 2023, which will influence future activities.
- As at end of March 2023, there was increase in our ethnically diverse workforce from 6% to 9% as compared to the end of the previous financial year.
- Over the last 12 months, under the Diversity and Inclusion plan we have
 - developed relationships with 3 local schools to provide pathways into WMC under our valued partnership initiative.
 - Provided a home within WMC to Boss and Brew, a local social enterprise which provides Barista training to young people from the local community.
 - Provided training to increase awareness of the challenges faced by disabled people in the workplace
 - shared best practice in service delivery and allyship (LGBTQ+) with the support of Stonewall
 - continued the targeted education of key groups in understanding the barriers faced by those from the ethnically diverse community, supplemented by shared lived experiences from WMC colleagues.
- WMC's people strategy, relaunched in 2021/22, continues to be embedded in the organisation, and forms the basis of future activities of the HR team.

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.

Risks were reviewed, updated and shared quarterly at Finance & Audit Committee meetings.

Current key risks, are:

- Reliance on public funds with investment review imminent, amid risk of economic recession
- Cyber security and data protection as a result of current environment and recognised external risks and threats
- Security – the security of an iconic building and tourist attraction, and public safety at the venue
- Increased costs due to inflationary pressures and labour market cost increases
- Reduction in philanthropic giving - achievement of fundraising targets to deliver strategic ambition
- Financial and reputational risk of ongoing capital projects
- Ability for WMC to remain open and operate in an economically viable way
 - Audience reluctance to return to large indoor performance venues due to the Coronavirus pandemic
 - Lack of highly commercial product available post pandemic
 - Reduction in disposable income due to impact of Coronavirus pandemic and Cost of Living crisis
 - Public Health – risk of a future lockdown forcing temporary closure of the Centre
- ability to recruit and retain appropriately qualified and experienced staff
- 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
- Increased competition from digital content

TRUSTEES' REPORT *(continued)*

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.

8. Post balance sheet events

Work on the project to redesign the Front of House commenced in August 2022. Our new Cabaret space opened in February 2023 and our café bar Ffwrnais opened at the end of March 2023. Phase 1a is expected to be completed by the end of July 2023 with the completion of member's lounge. Work on phase 1b will begin later in 2023/24. The total cost of this phase is estimated to be in the region of £4m.

In September 2023, we will exit our leased office space and staff will be relocated into newly refurbished office space within our main building.

9. Conclusion

Throughout 2022/23 we worked 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.

We want to be a creative home for everyone, we want to fire the imaginations of artists, young people, communities and audiences by creating unique experiences on our stages, in our public spaces and through our programmes. Our 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.

10. 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, affordability, current internal pay rates and benchmarking with other similar organisations.

Wales Millennium Centre continues to be an accredited Real Living Wage employer, paying the new rate from April following its announcement.

Following the announcement of a 10.1% increase in the Real Living Wage in October 2022, a review of the salary structure was conducted between January and March 2023. As a result, an average pay increase at 1 April 2023 for eligible employees of 6% for permanent members of staff was awarded, with individual increases ranging from 0% - 13%. In addition, all casuals paid Real Living Wage saw their pay increase by 10.1%.

Wales Millennium Centre paid a one off cost-of-living payment to permanent, fixed term and casual staff totalling £79k

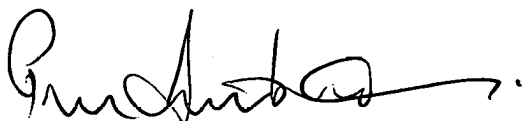
The senior leadership team were awarded their contractual Performance Related Pay for 2021/22, receiving payments during April and May 2022. The Performance Related Pay award for 2022/23 has been agreed and was paid in June 2023.

11. 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 21 September 2023



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 (Accounts 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 2023 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 2023 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 groups 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.

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.



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

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 groups 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. We assessed the risk of management override of internal controls and 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.

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.

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

Radnor House
Greenwood Close
Cardiff Gate Business Park
Cardiff
CF23 8AA

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

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted income funds	Restricted income funds	Total funds	Unrestricted income funds	Restricted income funds	Total funds
		2023 £'000	2023 £'000	2023 £'000	2022 £'000	2022 £'000	2022 £'000
Income from charitable activities							
Donations		320	530	850	374	-	374
Sponsorship		280	-	280	157	-	157
Grants receivable		3,688	773	4,461	3,675	3,475	7,150
Income from other trading activities:							
Catering, merchandising and facilities hire		3,132	-	3,132	2,172	-	2,172
Rental		200	-	200	141	-	141
Interest & investment income receivable	3	(24)	-	(24)	36	-	36
Theatre income		17,637	-	17,637	5,626	-	5,626
Total income		25,233	1,303	26,536	12,181	3,475	15,656
Expenditure on raising funds							
Charitable activities (includes depreciation of £2.3m; (2022: £2.2m))	4	8,252	1,635	9,887	6,842	3,647	10,489
Trading activities		17,757	-	17,757	6,528	1,118	7,646
Tax charge/(allowance) for the year		(280)	-	(280)	(137)	-	(137)
Total expenditure expended		25,729	1,635	27,364	13,233	4,765	17,998
Net (expenditure) / income and net movements in funds for the year		(496)	(332)	(828)	(1,053)	(1,289)	(2,342)
Reconciliation of funds							
Total funds brought forward		43,615	2,220	45,835	44,668	3,509	48,177
Total funds carried forward		43,119	1,888	45,007	43,615	2,220	45,835

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 35 to 47 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2023

	Note	Group 2023 £'000	Group 2022 £'000
Fixed assets			
Intangible assets	9	-	58
Tangible assets	10	41,541	40,312
Investments	20	672	699
Total Fixed Assets		42,213	41,069
Current assets			
Stock	11	62	53
Debtors	12	2,115	1,580
Cash at bank and in hand	13	9,142	15,555
Total Current Assets		11,319	17,188
Liabilities			
Creditors falling due within one year	14	(8,525)	(12,422)
Net Current Assets		2,794	4,766
Total assets less current liabilities		45,007	45,835
Net Assets		45,007	45,835
The funds of the charity			
Unrestricted funds	17	43,119	43,615
Restricted funds	17	1,888	2,220
Total Charity Funds		45,007	45,835

These financial statements were approved by the Board of Trustees on 21/09/2023 and were signed on its behalf by:


Peter Swinburn
Chairman


Dr Carol Bell
Trustee

COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

	Note	Company 2023 £'000	Company 2022 £'000
Fixed assets			
Tangible assets	10	41,474	40,221
Investments	20	674	701
Total Fixed assets		42,148	40,922
Current assets			
Debtors	12	1,369	1,876
Cash at bank and in hand	13	1,445	5,418
Total Current Assets		2,814	7,294
Liabilities			
Creditors falling due within one year	14	(1,855)	(2,212)
Net Current Assets		959	5,082
Total assets less current liabilities		43,107	46,004
Creditors: falling due after more than one year	15	(2)	(2)
Net Assets		43,105	46,002
The funds of the charity			
Unrestricted funds	17	41,217	43,782
Restricted funds	17	1,888	2,220
Total Charity Funds		43,105	46,002

These financial statements were approved by the Board of Trustees on 21/09/2023 and were signed on its behalf by:



Peter Swinburn
Chairman



Dr Carol Bell
Trustee

Registered Company number 3221924

Registered charity number 1060458

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Group 2023 £'000	Group 2022 £'000
Cash flows from operating activities			
Net income/(expenditure) for the year		(828)	(2,343)
Interest receivable	3	(24)	(36)
Depreciation and amortisation	9&10	2,346	2,287
Loss on disposal of fixed assets	10	109	326
Decrease/(increase) in stock	11	(9)	(12)
Decrease in debtors	12	(535)	(447)
(Decrease)/increase in creditors	14	(3,897)	3,128
(Gain)/loss on revaluation of investment		27	(33)
Net cash inflow from operating activities		(2,811)	2,870
Cash flows from investing activities			
Interest received		24	36
Acquisition of fixed assets	9&10	(3,634)	(1,255)
Disposal of fixed assets		8	-
Impairment of fixed asset		-	-
Dividend received		-	-
Net cash outflow from investing activities		(3,602)	(1,219)
Decrease in cash and cash equivalents in the year		(6,413)	1,651
Cash and cash equivalents at beginning of the year		15,555	13,904
Total cash and cash equivalents at the end of the year		9,142	15,555

ANALYSIS OF CHANGES IN NET DEBT	At 1 April 2022	Cash flows	Other non cash changes	At 31 March 2023
Cash and cash equivalents				
Cash	15,555	(6,413)	-	9,142
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	15,555	(6,413)	-	9,142
Borrowings				
Debt due within one year	-	-	-	-
Debt due after one year	-	-	-	-
	-	-	-	-
Total	15,555	(6,413)	-	9,142

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

The Arts Council of Wales (ACW) has extended the existing funding arrangement until 31 March 2024. 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. The outcome of ACW funding review for 2024-2027 will be announced in September 2023. The management team will review the business plan following this announcement to ensure that the organisation will continue to operate so as to break even as a minimum.

The Trustees have 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 asset 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.

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 2022. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

1. Accounting policies *(continued)*

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

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 line with charitable income recognition rules.

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.

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 accrual's 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

1. Accounting policies *(continued)*

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.

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:

	2023 £'000	2022 £'000
Income	7,653	7,949
Gift aid from subsidiary company	-	-
Expenditure on charitable activities	(10,550)	(10,489)
Net income/(expenditure)	(2,897)	(2,540)
Total funds brought forward	46,002	48,542
Total funds carried forward	43,105	46,002

3. Interest & Investment income receivable

The group's interest and investment income arises from money held in interest bearing deposit & instant access accounts and from a medium-term investment held with Sarasin. The net loss of £24k (2022: £36k income) includes an unrealised revaluation loss of the Sarasin investment of £45k (2022: £14k unrealised revaluation gain).

4. Analysis of expenditure on charitable activities

2023	Concerts and stage performances	Visiting arts exhibitions and Installations	Education including residences	General centre visitation	2023 Total expenditure
	£'000	£'000	£'000	£'000	£'000
Artists' and exhibition fees	416	-	-	19	435
Production expenses	640	-	-	39	679
Education and outreach	-	268	403	291	962
Box office and front of house	24	-	-	176	200
Promotion and marketing	11	-	-	24	35
Central premises costs	1,628	35	279	1,818	3,760
Bank charges	-	-	-	2	2
Depreciation	-	-	-	2,257	2,257
Governance costs (Note 5)	-	-	-	-	-
Support costs (Note 5)	-	-	-	1,557	1,557
Total	2,719	303	682	6,183	9,887

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

4. Analysis of expenditure on charitable activities *(continued)*

2022	Concerts and stage performances	Visiting arts exhibitions and installations	Education including residences	General centre visitation	2022 Total expenditure
	£'000	£'000	£'000	£'000	£'000
Artists' and exhibition fees	88	-	-	-	88
Production expenses	1,708	-	-	5	1,713
Education and outreach	-	75	275	893	1,243
Box office and front of house	19	-	-	117	136
Promotion and marketing	65	3	-	13	81
Central premises costs	1,576	34	270	1,761	3,641
Bank charges	-	-	-	1	1
Depreciation	-	-	-	2,188	2,188
Governance costs (Note 5)	-	-	-	-	-
Support costs (Note 5)	-	-	-	1,398	1,398
Total	3,456	112	545	6,376	10,489

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.

2023	General Support	Governance Function	Total	Basis of apportionment
	£'000	£'000	£'000	
Catering and venue hire for trustee and other business meetings	-	-	-	Invoiced
Salaries, wages and related costs	815	-	815	Allocated on time
General office	671	-	671	Invoiced
Audit fees – External audit	25	-	25	Invoiced
Non audit fees	5	-	5	Invoiced
Audit fees – Internal audit	41	-	41	Invoiced
Total	1,557	-	1,557	

6. Employee numbers and costs

	2023 £'000	2022 £'000
Employee costs during the year accounted to		
Wages and salaries	4,702	3,554
Pension contributions to defined contribution schemes	437	228
Social security costs	259	318
	5,398	4,100
	2023 Number	2022 Number
Average number of persons employed (including casuals) were:		
Stage, technical, front of house, catering and venue operations	245	200
Management and administration	7	7
	252	207

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

6. Employee numbers and costs (continued)

During the year, the company's wages and salaries costs above include remuneration paid to the Trustees amounting to £nil (2022: £nil). No travel expenses were reimbursed to Trustees during the year (2022: £nil).

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

	2023 Number	2022 Number
£60,000 - £70,000	-	-
£70,001 - £80,000	-	2
£80,001 - £90,000	-	1
£90,001 - £100,000	2	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£130,001 - £160,000	-	-
£160,001 - £170,000	-	1
£170,001 - £180,000	-	-
£180,001 - £190,000	1	-

	2023 £'000	2022 £'000
Pensions contributions to defined contribution schemes in respect of these four employees (2022: five employees)	35	39

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 to these four employees was £492k (2022: five employees - £545k).

7. Net expenditure for the year

	2023 £'000	2022 £'000
Net expenditure is stated after charging the following		
Auditor's fee for parent company and group financial statements	15	15
Auditor's fee for subsidiary companies	10	10
Payroll processing fees	10	10
Payments made under operating leases	171	170
Depreciation and amortisation (Notes 9 & 10)	2,346	2,287
Trustees and officer's indemnity insurance	12	15

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

9. Intangible Assets

Group	Group £'000
Cost	
At 1 April 2022	289
Additions during the year	-
Cost at 31 March 2023	289
Amortisation and Impairment	
At 1 April 2021	231
Charge for the year	58
Amortisation at 31 March 2023	289
Net Book Value at 31 March 2023	-
Net Book Value at 31 March 2022	58

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

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 2022	57,755	43,060	4,744	292	105,851
Additions in the year	-	35	1,022	2,577	3,634
Disposals in the year	(17)	(4,273)	(1,778)	-	(6,068)
Year ended 31 March 2023	57,738	38,822	3,988	2,869	103,417
Accumulated depreciation					
At 1 April 2022	20,193	41,584	3,762	-	65,539
Charge for the year	1,159	780	349	-	2,288
Disposals during the year	(17)	(4,182)	(1,752)	-	(5,951)
Year ended 31 March 2022	21,335	38,182	2,359	-	61,876
Net book value					
31 March 2023	36,403	640	1,629	2,869	41,541
31 March 2022	37,562	1,476	982	292	40,312

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

10. Tangible Assets *(continued)*

Company	Long leasehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Assets under construction £'000	Total £'000
Cost					
At 1 April 2022	57,755	42,538	4,516	292	105,101
Additions in year	-	35	1,012	2,577	3,624
Disposals in year	(17)	(3,880)	(1,778)	-	(5,675)
Year ended 31 March 2023	57,738	38,693	3,750	2,869	103,050
Accumulated depreciation					
At 1 April 2022	20,193	41,137	3,550	-	64,880
Charge for the year	1,159	749	348	-	2,256
Disposals during the year	(17)	(3,790)	(1,753)	-	(5,560)
Year ended 31 March 2023	21,335	38,096	2,145	-	61,576
Net book value 31 March 2023	36,403	597	1,605	2,869	41,474
31 March 2022	37,562	1,401	966	292	40,221

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

At 31 March 2023 there were no assets held under finance leases (2022: £nil). These figures represent amounts in both the Company and Group.

11. Stock

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Goods for Resale	62	53	-	-
	<u>62</u>	<u>53</u>	<u>-</u>	<u>-</u>

12. Debtors

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade debtors	880	927	329	548
Other debtors	424	114	79	97
Prepayments	301	179	260	148
VAT receivable	93	223	341	164
Theatre Tax Relief	417	137	-	-
Amount owed by subsidiary undertaking	-	-	360	919
	<u>2,115</u>	<u>1,580</u>	<u>1,369</u>	<u>1,876</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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 £5.3m (2022: £8.7m).

14. Creditors: falling due within one year

	Group 2023 £'000	Group 2022 £'000	Company 2023	Company 2022 £'000
Social security and other taxes	96	86	71	67
Trade creditors	172	290	116	226
Accruals	1,849	2,112	1,592	1,688
Income in advance	5,337	8,662	-	-
Other creditors	1,071	1,272	76	231
	8,525	12,422	1,855	2,212

Income in advance relates to ticketing income. Other creditors includes deferred grant income relating to 2023/24 of £nil (2022: £176k).

15. Creditors: falling due after more than one year

	Group 2023	Group 2022 £'000	Company 2023	Company 2022 £'000
Unpaid share capital	-	-	2	2
Total	-	-	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	2022 £'000	Income £'000	Expenditure £'000	Capital Spend £'000	Transfer £'000	2023 £'000
<u>Designated funds</u>						
Capital Maintenance	756	172	-	(350)	-	578
Capital Development	2,069	-	-	(2,888)	1,395	576
Creative Ambition	200	-	-	-	-	200
Total designated funds	3,025	172	-	(3,238)	1,395	1,354
General unrestricted funds	40,590	25,061	(25,729)	3,238	(1,395)	41,765
Total funds	43,615	25,233	(25,729)	-	-	43,119

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

18. Funds (continued)

Company	Income	Expenditure	Capital Spend	Transfer	
2022					2023
£'000	£'000	£'000	£'000	£'000	£'000
Designated funds					
Capital Maintenance	756	172	-	(350)	578
Capital Development	2,069	-	-	(2,888)	576
Creative Ambition	200	-	-	-	200
Total designated funds	3,025	172	-	(3,238)	1,354
General unrestricted funds	40,757	6,177	(8,914)	3,238	(1,395)
					39,863
Total funds	43,782	6,349	(8,914)	-	41,217

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

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				2023 £'000
	Income	Expenditure	Transfers		
	2022 £'000	£'000	£'000	£'000	
Capital Maintenance	1,386	300	(314)	-	1,372
Capital Development	-	500	-	-	500
Creative Ambition	60	30	(90)	-	-
Festival of Voice	-	230	(230)	-	-
Merthyr	-	243	(243)	-	-
Core Restricted Funds	774	-	(758)	-	16
Total funds	2,220	1,303	(1,635)	-	1,888

Company	Movement in funds				2023 £'000
		Income	Expenditure	Transfers	
	2022 £'000	£'000	£'000	£'000	
Capital Maintenance	1,386	300	(314)	-	1,372
Capital Development	-	500	-	-	500
Creative Ambition	60	30	(90)	-	-
Festival of Voice	-	230	(230)	-	-
Merthyr	-	243	(243)	-	-
Core Restricted Funds	774	-	(758)	-	16
Total funds	2,220	1,303	(1,635)	-	1,888

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

18. Funds *(continued)*

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 2023	Total for the year ended 31 March 2022
	£'000	£'000	£'000	£'000
Intangible & Tangible fixed assets	40,169	1,372	41,541	40,370
Investment	672	-	672	699
Net current assets	2,278	516	2,794	4,766
	43,119	1,888	45,007	45,835

Company	Unrestricted Funds	Restricted Funds	Total for the year ended 31 March 2023	Total for the year ended 31 March 2022
	£'000	£'000	£'000	£'000
Tangible fixed assets	40,102	1,372	41,474	40,221
Investment	674	-	674	701
Net current assets	443	516	959	5,082
Creditors falling due after more than 1 year	(2)	-	(2)	(2)
	41,217	1,888	43,105	46,002

Total income comprises £25.2m (2022: £12.2m) for unrestricted funds and £1.3m (2022: £3.5m) for restricted funds. A detailed analysis of incoming resources is given in the Statement of Financial Activities and notes.

Total expenditure comprises £25.7m (2022: £13.2m) for unrestricted funds and £1.6m (2022: £4.8m) 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 41 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 2023 was £437k (2022: £232k).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

19. Operating leases

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

	2023	2022
	£'000	£'000
Within one year	85	171
In the second to fifth years inclusive	-	85
	<u>85</u>	<u>256</u>

20. Investments

	Group	Company
	2023	2023
	£'000	£'000
Value at 1 April 2022	699	701
Additions	18	18
Disposals	-	-
Revaluations during the year	<u>(45)</u>	<u>(45)</u>
Value at 31 March 2023	<u>672</u>	<u>674</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**. This fund has a risk level between 4 and 7. Quarterly investment reports are received.

21. Capital commitments

	Group & Company	Group & Company
	2023	2022
	£'000	£'000
Capital expenditure contracted but not provided for in the financial statements	900	925
Capital expenditure authorised by the board but not contracted	<u>910</u>	<u>3,075</u>
	<u>1,810</u>	<u>4,000</u>

These capital commitments relate to the Front of House redesign project.

22. 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. The trading company has been consolidated in these group Financial Statements. A summary of its trading results is shown below:

	2023	2022
	£'000	£'000
Turnover	19,636	7,079
Cost of Sales	<u>(14,893)</u>	<u>(4,922)</u>
Gross Profit	<u>4,743</u>	<u>2,157</u>
Administrative Expenditure	<u>(2,673)</u>	<u>(1,963)</u>
(Loss)/profit before charitable donation	2,070	194
Charitable donation to parent organization	<u>-</u>	<u>-</u>
	<u>2,070</u>	<u>194</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

22. Subsidiary companies *(continued)*

Wales Millennium Centre (Trading) Limited *(continued)*

	2023 £'000	2022 £'000
Intangible & Tangible fixed Assets	68	150
Net current liabilities	1,833	(319)
Net assets	1,901	(169)
Called up share capital and retained earnings	1,901	(169)

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 in 2020/21. A summary of its results is shown below:

	2023 £'000	2022 £'000
Turnover	1,024	621
Cost of Sales	(1,304)	(758)
Gross Loss	(280)	(137)
Administrative Expenditure	-	-
Loss Before Taxation	(280)	(137)
Tax on loss	280	137
Result for the financial year	-	-

	2023 £'000	2022 £'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.