

**11Arches**  
**(A Charitable Company Limited by Guarantee)**

**Annual Report**

**For the period ended**  
**31 December 2024**

**Company Number 09055646**  
**Charity Number 1159011**

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**11Arches**  
**(A Charitable Company Limited by Guarantee)**

**Report of the Trustees for the period ended 31 December 2024**

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**Report of the Trustees for the period ended 31 December 2024**

**Reference and administrative information**

Trustees

S Hall (Chair)

J Ruffer

L Greig

K Eld

N White

L Fairclough

D Barrie

**Key management personnel at 31 December 2024**

A Warnecke                      Chief Executive Officer

G Emerson                      Chief Technical Officer

M Slavin                         Chief Operating Officer

**Registered office and Principal place of business**

Flatts Farm

Toronto

Bishop Auckland

County Durham

DL14 7SF

**Charity number**

1159011

**Company number**

09055646 (England & Wales)

**Auditor**

RSM UK Audit LLP

1 St James Gate

Newcastle upon Tyne

NE1 4AD

**Principal bankers**

Barclays Bank Plc

6 Market Place

Durham

Co Durham

DH1 3NB

## **Report of the Trustees for the period ended 31 December 2024**

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The trustees (who are also directors of the charity for the purpose of company law) present their annual report and audited financial statements of 11Arches (the charity) for the 15 months ended 31 December 2024.

The financial statements comply with the Memorandum and Articles of Association and the requirements of the Charities Act 2011, the companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102).

### **Structure, Governance and Management Governing Documents**

The companies year end date has been changed from 30th September to 31st December to align our business and charitable reporting. The charity is registered as a charitable company limited by guarantee, was incorporated on 23 May 2014 and is governed by the memorandums of association dated 28 September 2014 as amended by special resolution registered at Companies House on 28 October 2014 as amended on 19 March 2021 as amended on 07 February 2025. The key amendment to the Articles of Association is the advancement of education in relation to endangered or rare animals. The charity is constituted under its Memorandum of Association and is a registered charity, number 1159011. The Articles of Association have been approved by the Charity Commission as follows:

The objectives of the Charity are specifically restricted to the following:

- To advance education for the public benefit by any or all of the following means:
  - historical and heritage installations, exhibitions, immersive experiences, activities and productions and performing arts projects, including those that celebrate and promote the unique history of Bishop Auckland or England more widely, which increase knowledge, understanding and appreciation of matters of local, regional or national historic interest.
  - conserving, caring for, breeding and raising public awareness of endangered or rare animals, including those of historical or environmental significance to Bishop Auckland or England more widely, and with characteristics worthy of preservation in the interests of public education.
  - providing after-school and training programs for children and young people that are designed to build skills and self-confidence.
  - such other educational means as the Trustees may think fit from time to time.
- To advance community development for the public benefit by the promotion of volunteer programs that encourage community wide involvement in the Charity's historical and heritage installations, exhibitions, immersive experiences, activities, productions, its performing arts projects or its other educational activities.

The trustees and officers serving during the year and since the end were as follows:

S Hall (Chair)  
J Ruffer  
L Greig  
K Eld  
N White  
L Fairclough  
D Barrie

## **Report of the Trustees for the period ended 31 December 2024**

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### **Appointment, Induction and Training of Trustees**

The management of the charity is the responsibility of the trustees. New trustees will be selected by existing trustees and will be appointed by Members of the charity. Each trustee, as a member, is a guarantor of the charity to an amount not exceeding £1 in the event of the charity being wound up.

New trustees undergo orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

### **Objectives and Activities**

“Kynren, An Epic Tale of England”, is an open-air night spectacular. It is the main production of 11Arches.

Kynren is part of a very ambitious scheme to build a world class visitor destination in Bishop Auckland, based in the rich history of the area. This is the vision of philanthropist and investment manager, Jonathan Ruffer. 11Arches is one of two charities he has established in Bishop Auckland, the other being The Auckland Project. Together, the aim of the charities is to establish Bishop Auckland as an international tourist destination, attracting visitors and investment which will contribute to the betterment of the area and empowerment of the community.

### **Mission Statement**

11Arches is a registered charity with the objective to produce a world class historical show, the foundation of which is an innovative and engaging arts, education and community development programme.

11Arches is a catalyst and driver of change which will dramatically shift the paradigm of the North East, by adding a national tourist destination to the region that delivers tangible, measurable, significant social and economic impact.

11Arches is a celebration of heritage bringing our history to life in a spectacular show by a mainly volunteer cast and crew.

### **Objectives**

11Arches is committed to deliver Kynren a must see show year after year: Kynren is a world class display of technical and artistic performance, orchestrated by a cast and crew of volunteers of utmost professionalism, creating enthralling educational entertainment and a high-quality experience to its visitors. Kynren's success is measured by the rating given by our visitors to Kynren, and the enjoyment it's cast, and crew take in bringing Kynren to life.

We acknowledge the cornerstone of Kynren's longevity is to expand into a daytime offer, to support its commercial success. Therefore, the expansion should be the key strategic objective to focus on for the next five seasons, alongside the further establishment of Kynren.

### **Activities**

11Arches produced eight summer performances of Kynren in 2024, along with the annual Pyromusical in November 2023 and November 2024.

### **Organisation Structure and Delegated Responsibility**

11Arches Night Show is the wholly owned subsidiary of 11Arches whose principle activity is the organisation of ticket sales, the operational running of the nights when 11Arches produces Kynren and ancillary commercial and associated retail activities.

The board of trustees administers the charity. The board normally meets quarterly.

## **Report of the Trustees for the period ended 31 December 2024**

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for all operational matters including finance, employment, and artistic performance related activity.

### **Pay policy for senior staff**

The directors consider the board of directors, who are the trustees, and the senior leadership team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

All directors give their time freely and no director received any remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 8 to the accounts.

The pay of the senior staff is reviewed annually. In view of the production industry the charity operates in, the directors benchmark against salary levels in line with similar organisations.

## **GROUP STRATEGIC REPORT**

### **Season Review: achievements and performance for the period**

Our Kynren 2024 season was incredible, we delivered results surpassing all our audience and revenue targets.

Mindful of the cost-of-living crisis being endured by many and the continued impact of world events, our ticket sales of 43,991 (33,048 in 2023) and our average per visitor spend onsite of £8.40 (£4.66 in 2023) was a great achievement. Visits from our travel trade partners increased to 3,329 and Arches dining increased to 1,105.

Dominant markets were North East (59%) and Yorkshire (13%).

Our audience continued to rate Kynren extremely well with fantastic reviews on TripAdvisor and we have retained our 5\* rating and Certificate of Excellence.

### **Recruitment and training of the Cast and Crew**

The cast and crew involved in Kynren are called Archers. Our ethos is to train our volunteers to the highest standards, and empower them to take control, and this remains hugely successful. More than 95% of our Archers return from one season to the next consistently, year after year.

2024 again saw a push into recruitment of new volunteers with 5 very successful open call evenings for introductions. This brought fantastic new Archers into our ranks, strengthening our community with new energy.

The rehearsals for the show season began in March. In order to maximise the effectiveness of training, and to make managing the volunteers more efficient, our Archers were then divided into six teams, each containing separate sub-teams focused on various roles, and each led, in the first instance, by 11Arches staff. They are supported by over 45 Team Leaders who are an indispensable part of the core team structure, putting in the effort and time to manage their teams and schedule the complex rotas for show nights. They are not just enablers of pastoral care and communication, but meaningful contributors to the volunteer journey and the successful delivery of the production.

- **Show Team:** Cast and Stage Management.
- **Creative Team:** Costume and Props
- **Visitor Experience:** Experience Team.
- **Cavalry Team:** Horse Riders, Carriage Drivers, and Grooms.
- **Technical Team:** Tech (Sound, Light, Hydraulics, Video, SFX), Pyrotechnics and Rescue Divers/Swimmers.
- **Operations Team:** First Aid, Event Operations, and Estates

## **Report of the Trustees for the period ended 31 December 2024**

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Professional training was given to the volunteer teams, including mass choreography, theatrical combat, acting, dance, props making, costume making, technical operation of show (light, sound, video, SFX, hydraulics, machinery, pyrotechnics), performance riding, carriage driving, animal handling, visitor services, show diving, rescue diving, first aid and event control.

### **Economic benefit**

11Arches' mission is to produce Kynren as a world-class show, to be a trip attractor, encouraging overnight visits to County Durham and bringing tourism-related expenditure, capital investment and jobs. It is the overnight visitors who make a significant difference to the regional economy: while day trippers typically spend £20.18 per day, overnight visitors are likely to spend £169.14, a driver for the creation of jobs.

The success achieved to date provides solid foundations on which to build, but the development of Kynren – The Storied Lands from 2026 to 2030 makes a clear step-change in the scale of economic impact. Kynren will grow to generate truly significant regional benefits: generating additional revenue and creating jobs.

### **Looking ahead**

Our five-year vision inspires the next legs of our development.

For 11Arches to be the successful operator of the biggest night show in the UK: more visitors year after year are left in awe, not just with the spectacle itself, but with the fact it is entirely orchestrated by a cast and crew of volunteers.

For 11Arches to open a world class day park visitor attraction, Kynren – The Storied Lands. Showcasing British history through live action stunt show performances and immersive experiences. The day park will be extended year on year up to 2030 to include new immersive attractions.

### **Risk assessment**

11Arches combines several characteristics that increase our risk: an unfamiliar form of visitor attraction to the UK audience, its scale since inception and its boldness. We are still at the beginning of a long journey. Establishing processes that ensure it remains a going concern remains high on our agenda.

The risks and uncertainties were identified as follows:

- Continued recruitment and retention of volunteers to ensure the appropriate running of the show.
- An unfamiliar format means that we are required to build brand and concept awareness from near scratch which can create a high level of uncertainty and risk to ticket sales.
- A unique production also means that the skills are not readily available on a like for like basis, especially in the region, for staff and experts we wish to engage on the project.
- A visitor attraction in its ninth year of operation means consolidating audiences within the regional 30-60 minute radius and search for new ones beyond is needed, and yet this takes considerable time and money to achieve.
- Exposure to the financial health of the British consumer, as the organisation sells a discretionary product.

Management maintains a risk register as a live document assessing all current risks for the group for its tenth year of production across all departments.

It identifies the major risks the group faces, the likelihood of occurrence, the potential impact of the risk, as well as any mitigation in place. It proactively seeks to identify and actions and resources necessary to manage these risks and reduce the risk profile of the organisation.

The Trustee Board is responsible for the oversight of the risks the group faces. The Trustee Board regularly reviews the group risk position, internal controls and compliance with relevant statutory and governance regulations.

## **Report of the Trustees for the period ended 31 December 2024**

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### **Related parties**

11Arches and The Auckland Project (TAP) have a close working relationship. TAP was set up to own and enhance Auckland Palace and the other buildings of national, architectural, historic or artistic interest for the benefit of the public.

The charity also has a close working relationship with Lempriere Pringle 2015 and the charity has received substantial financial resources from Lempriere Pringle 2015. Jonathan Ruffer is a trustee of both the charity and Lempriere Pringle 2015.

Further detailed information on related parties is included in note 19 of the financial statements.

### **Public benefit**

The trustees have a due regard to the guidance by the Charity Commission on public benefit. The charity's activities encompass a number of the charitable purposes which are referred to in the Charities Act 2011, the drawing together of the local community and the opportunities members of the local community of all ages, education and skills have of participating as volunteers in the show and the range of educational benefits through learning new skills and audience education.

### **Fundraising**

The charity does not work with commercial participators or professional fundraisers and does not engage third parties to undertake fundraising activities on its behalf.

### **Impact Value**

11Arches researched the extent to which the Kynren experience, in its first year, has helped to advance its aims of education and community development. A report was commissioned to look at the impact of the project on the volunteer team (known individually as Archers) and at their perceptions of what the Trust, through Kynren, is achieving.

The findings of the first season are merely the first instalment of the story of the impact of 11Arches on the fortunes of Bishop Auckland and the surrounding area, in the long term. Findings of each additional year of operations are consolidated and support similar trends.

### **Volunteers' motivations**

Kynren, since its first year, has been a story of individuals and family groups volunteering their time and effort, largely for the benefit of the wider community. While there is substantial evidence of change and gains for individual Archers, Kynren is a bold undertaking by a community for a community. Many Archers have cited, among their motivations for getting involved, the fact that 11Arches is working for a better future for Bishop Auckland. They either remember the town as a different kind of place or can sense its potential and want to see the charity succeed. Although uncertain about what the project might entail or lead to, large numbers of local and not-so-local people recognised that its realisation would depend on the involvement of hundreds of volunteers and the commitment of thousands of hours of voluntary work. Curious, available and with a sense of responsibility for the success of the project, they signed up.

Of the many local residents who were initially, or mainly, attracted by the opportunity to pursue an existing interest (e.g. acting, dancing, building, making, sewing, riding) or develop a new one, to make friends or add to their C.V. (in pursuit of further study or employment), most have become aware of, and are impressed by, the potential impact of their involvement on their community.

From the second season onward, motivations have become more diverse, as the show was now a tangible fact, something many had seen before joining, and the Kynren experience was articulated by a first year of veterans. Existing Archers from the first season were strong advocates and endorsed a bigger role front line in the recruitment of future seasons.

## **Report of the Trustees for the period ended 31 December 2024**

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The group places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly from the considerable time, energy and expertise given by the Board of Trustees.

Placing a monetary value on the contribution of the volunteers presents significant difficulties. With the lack of a market comparator price for general volunteers, it is impractical for their contribution to be measured reliably for accounting purposes. Given the absence of a reliable measurement basis, the contribution of volunteers has not been included as income in the accounts.

### **The appeal to families and friends**

Many Archers had family or friends taking part. The weekend rehearsals meant it was, in many cases, more feasible for someone with a family to commit the time needed if other members of the family were taking part too, but families became involved in different ways and at different paces. In some cases, they were led by a young person's interest, in others by an adult's and in a few cases by a parent child combination.

There were examples of family members and friends attending an audition session together and a signing up together, while others brought relatives and friends along at a later stage.

### **Mutuality**

Mutuality (or interdependence) has been a prominent feature of Kynren. Every Archer belonged to a team, with a team leader. Team members worked together, developed their own practices (e.g. bringing food to share, printing team t-shirts), supported each other, became friends, welcomed newcomers, overcame occasional tensions and became stronger as individuals and as a team.

### **Diversity and social capital**

The Archers are a diverse group with different social, cultural, and family backgrounds and different life experiences, outlooks, and aspirations. Nearly 87% of Archers in 2024 live in Bishop Auckland and surrounding area with 11.7% living elsewhere in the North East and in a few cases, further afield. The diversity of the company has been one of its strengths: people have worked alongside people they would be unlikely to meet socially or at work; they have spent significant amounts of time together in a shared enterprise; they have learned about each other and from each other; they have formed lasting bonds and friendships and they have continued to meet (in some cases weekly) well after the show ended in September. In addition to their feelings of responsibility towards Kynren and 11Arches, Archers are now describing a sense of agency, which underlines the extent to which the charity is building social capital.

Nearly all Archers judged that they had become more skilled at something. Some have had production-related, technical training and experience (e.g. prop making and repair, combat skills, archery, pyrotechnics, riding, driving horses, animal handling and first aid, etc.). Many others have used a mixture of training (e.g. circus skills and World Host Customer Service Training) and the day-to-day practice of working with colleagues and the public, to increase their so-called soft skills, including the ability to work well in a team, to be adaptable, to resolve conflict, to observe behaviour and respond to it, and to communicate effectively.

For many, the acquisition of new knowledge and skills has enhanced their quality of life.

Continuing to be part of something special also shone through for rejoining, and the reasons put forward include principally friendship, confidence, community, skills, achievement and pride.



## **Report of the Trustees for the period ended 31 December 2024**

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### **Financial review**

Full details of the group's financial position can be found in the accompanying financial statements attached to this report. The Statement of Financial Activities shows total incoming resources of £10,473,401 for the 15 months ended 31 December 2024 (12 months ended 30 September 2023: £1,950,101) and total resources expended of £8,199,750 (30 September 2023: £4,839,639) resulting in a surplus for the 15 month period of £2,273,651 (30 September 2023: £2,889,538 deficit).

The group has net assets at yearend of £28,811,266 (30 September 2023: £26,537,615) including available cash and short term investments of £6,687,069 (30 September 2023: £6,904,331).

The charity has net assets at yearend of £27,361,607 (30 September 2023: £26,485,305) and available cash and short term investments of £5,517,438 (30 September 2023: £4,779,987).

The group received a donation of £8 million from Lemprier Pringle 2015 to support the ongoing activities of Kynren and to expand into a daytime offer. There is an increase in expenditure due to the extension of the trading period to 15 months. There were also additional staff costs including restructuring costs and an increase in depreciation for infrastructure and buildings.

### **Key Performance Indicators**

Key Performance Indicators for the organisation are set at two main levels, Community Development and Excellence of the show, both are closely linked to the charitable objects of 11Arches.

- The performance of the organisation in Community Development is analysed through the thriving group of Cast and Crew involved in Kynren. Their enjoyment of their experience is measured each season on a variety of indicators.
- The performance of the organisation to produce Kynren to a level of excellence is measured through our Customers' Satisfaction, as carried in our customer surveys.

The trustees have considered the performance of the organisation through the above prisms for the financial period and are satisfied the organisation is performing well.

### **11Arches Night Show**

The results of the charity's subsidiary, 11Arches Night Show, which are consolidated in these financial statements are included in note 11.

### **Reserves Policy**

The Directors review the reserve levels annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors have determined the minimum level of unrestricted reserves should be a set amount of approximately £1.5m (2023: £1m) based on 4 months of annual expenditure, excluding depreciation and amortisation. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The free reserves as of 31 December 2024, excluding fixed assets and loans are £7,278,729 (30 September 2023: £6,689,282) for the group. This is above the £1.5m minimum level set and this is to further invest in the Kynren production and development of the day park.

### **Going Concern**

There are no material uncertainties in respect of the charity's ability to continue as a going concern based on forecasts in place and committed funding. The trustees believe the group is well placed to manage its risks successfully and thus have adopted the going concern basis of accounting. This is primarily due to the ongoing support from the co-founder.

**Report of the Trustees for the period ended 31 December 2024**

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**Auditor**

In accordance with the charitable company's articles a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the charitable company will be put at a General Meeting.

**Disclosure of Information to auditor**

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish the auditors are aware of that information.

By Order of the Board

*Stephen Hall*

Stephen Hall  
Chair  
06/08/25

**Statement of Trustees' Responsibilities for the period ended 31 December 2024**

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The free reserves as of 31 December 2024, excluding fixed assets and loans, are £7,278,729 (2023: £6,689,282) for the group. This is above the £1m minimum level set and this is to further invest in the Kynren production and development of the day park.

**Going Concern**

There are no material uncertainties in respect of the charity's ability to continue as a going concern. The trustees believe that the group is well placed to manage its risks successfully and thus have adopted the going concern basis of accounting. This is primarily due to the ongoing support from the co-founder.

**Principal funding**

The principal funding was obtained from ticket sales and donations.

**Auditor**

In accordance with the charitable company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the charitable company will be put at a General Meeting.

**Disclosure of information to auditor**

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By Order of the Board

*Stephen Hall*

Stephen Hall

Chair

Date: 06/08/25

**Statement of Trustees' Responsibilities for the period ended 31 December 2024**

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**Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure of the charitable company for that period.

In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards 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 charitable group will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Auditor's Report to The Trustees of 11Arches**

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**Opinion**

We have audited the financial statements of 11Arches (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows 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 FRS 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 the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis of opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

**Independent Auditor's Report to The Trustees of 11Arches**

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We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report prepared for the purposes of company law for the financial period, for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report, included within the Trustees' Report, have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report, included within the Trustees' report.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

**Independent Auditor's Report to The Trustees of 11Arches**

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**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence and minutes and inspecting correspondence with tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue cut off as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to management override of controls included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in the financial statements. Audit procedures performed in relation to revenue cut off included but were not limited to substantively testing revenue transactions around the period end and assessing whether the associated revenue has been recorded in the correct period.

**11Arches**  
**(A Charitable Company Limited by Guarantee)**

**Independent Auditor's Report to The Trustees of 11Arches**

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A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Lucy Robson*

LUCY ROBSON (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
1 St. James' Gate  
Newcastle upon Tyne  
NE1 4AD

Date: 07/08/25



**Consolidated statement of financial activities (incorporating income and expenditure account) for the period ended 31 December 2024**

	Notes	Unrestricted funds £	Restricted Funds £	Total funds Period ended 31 December 2024 £	Total funds Year ended 30 September 2023 £
<b>Income from</b>					
Donations and Legacies	2	8,060,000	-	8,060,000	10,850
Trading activities	3	1,951,145	-	1,951,145	1,351,851
Investments	4	170,980	-	170,980	283,497
Other	5	291,276	-	291,276	303,903
			-		
<b>Total income</b>		10,473,401	-	10,473,401	1,950,101
<b>Expenditure on:</b>					
Charitable activities	6	7,606,239	-	7,606,239	4,475,318
Raising funds	6	593,511	-	593,511	364,321
			-		
<b>Total expenditure</b>		8,199,750	-	8,199,750	4,839,639
Net income/(expenditure) and net movement in funds	17	2,273,651	-	2,273,651	(2,889,538)
<b>Total funds brought forward</b>		26,537,615	-	26,537,615	29,427,153
<b>Total funds carried forward</b>		28,811,266	-	28,811,266	26,537,615

The notes on pages 19 to 38 form part of these financial statements.

**Consolidated and company balance sheets for the period ended 31 December 2024**

	Notes	Group 31 December 2024 £	30 September 2023 £	Charity 31 December 2024 £	30 September 2023 £
<b>Fixed assets</b>					
Intangible assets	9	291,995	532,902	291,995	532,902
Tangible assets	10	21,240,542	19,315,431	21,240,542	19,315,431
Fixed asset investments	11	-	-	10	10
		<u>21,532,537</u>	<u>19,848,333</u>	<u>21,532,547</u>	<u>19,848,343</u>
<b>Current assets</b>					
Stocks	12	50,237	67,254	-	-
Debtors	13	1,248,729	427,549	2,217,551	2,264,928
Short term investments		4,500,000	-	4,500,000	-
Cash at bank and in hand		2,187,069	6,904,331	1,017,438	4,779,987
		<u>7,986,035</u>	<u>7,399,134</u>	<u>7,734,989</u>	<u>7,044,915</u>
<b>Creditors: Amounts falling within one year</b>	14	(706,949)	(709,495)	(528,411)	(407,953)
		<u>7,279,086</u>	<u>6,689,639</u>	<u>7,206,578</u>	<u>6,636,962</u>
Net current assets					
Total assets less current liabilities		28,811,623	26,537,972	28,739,125	26,485,305
Provisions for liabilities	16	(357)	(357)	-	-
		<u>28,811,266</u>	<u>26,537,615</u>	<u>27,361,607</u>	<u>26,485,305</u>
Net assets					
<b>The funds of the charity</b>					
<b>Unrestricted funds:</b>					
General funds	17	27,688,373	25,414,722	27,616,232	25,362,412
Designated funds	17	1,122,893	1,122,893	1,122,893	1,122,893
		<u>28,811,266</u>	<u>26,537,615</u>	<u>28,739,125</u>	<u>26,485,305</u>
<b>Total charity funds</b>					

**Consolidated and company balance sheets for the period ended 31 December 2024**

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As permitted by Section 408 of the Companies Act 2006, the statement of financial activities of the parent coming is not presented as part of these accounts. The parent company's net income and net movement in funds for the financial period amounted to a surplus of £2,253,820 (year to 30 September 2023: £2,905,378 deficit).

The financial statements were approved by the Board on 06/08/25 ..... and signed on its behalf by:

*Stephen Hall*

S Hall  
Chair

The notes on pages 19 to 38 form part of these financial statements.

**Consolidated statement of cash flows for the period ended 31 December 2024**

	<b>Note</b>	<b>Period ended 31 December 2024 £</b>	<b>Year ended 30 September 2023 £</b>
<b>Cash flows from operating activities</b>	<b>18</b>	4,009,507	(1,320,320)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(4,396,346)	(1,750,695)
Purchase of intangible assets		(1,403)	-
Interest received		170,980	243,985
Short term investments		(4,500,000)	-
<b>Net cash used in investing activities</b>		(8,726,769)	(1,427,686)
<b>Net cash (used in)/provided by financing activities</b>		-	-
Decrease in cash and cash equivalents		(4,717,262)	(2,748,006)
Cash and cash equivalents at the beginning of the year		6,904,331	9,652,337
<b>Cash and cash equivalents at the end of the year</b>		2,187,069	6,904,331
<b>Relating to:</b>			
Cash at bank and in hand		2,187,069	6,904,331
<b>Total cash and cash equivalents</b>		2,187,069	6,904,331

The notes on pages 19 to 38 form part of these financial statements.

**Notes to the financial statements for the period ended 31 December 2024**

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**1 Accounting policies**

**Company Information**

11Arches is a charitable company limited by guarantee, incorporated in England and Wales. The registered office is Flatts Farm, Toronto, Bishop Auckland, Co Durham, DL14 7SF.

**Accounting Convention**

11Arches meets the definition of a public benefit entity under FRS102. The financial statements are prepared under the historical cost convention and in accordance with the requirements of the 'Accounting and Reporting by Charities' Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) and the Companies Act 2006.

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

The principal accounting policies adopted are set out below.

**Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Charity and its wholly owned subsidiary, 11Arches Night Show Limited, on a line by line basis.

**Going Concern**

Budgets have been prepared for the 12 months to December 2026. These incorporate anticipated performances in 2026. The forecasts show that sufficient funds are available for liabilities to be met as they fall due.

The Trustees have prepared cash flow forecasts and reviewed the group and company's resources and have a reasonable expectation that the company and group has adequate resources to continue in operational existence for at least 12 months from date of approval of the financial statements, due to ongoing support provided by the co-founder through his charity Lempriere Pringle 2015. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Reporting Period**

The entity presents its financial statements for the 15 month period ended 31 December 2024 in order to bring the year end in line with the calendar year. Comparative amounts presented in the financial statements are not entirely comparable.

**Fund Accounting**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Unrestricted funds are available to spend on activities that further any of the general objectives of the charity.

Where the group has allocated income towards specific projects, a designation fund has been established. The amount of each designated fund is set out in note 17 of the financial statements.

**Notes to the financial statements for the period ended 31 December 2024**

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**1 Accounting policies** *(continued)*

**Income**

Incoming resources are recognised in the Statement of Financial Activities when the group has entitlement to the funds; any conditions attached to the income have been met; it is probable that the income will be received, and the amount can be measured reliably.

Income from donations and legacies includes donations from individuals and charitable trusts.

Income from trading activities is recognised as earned as the related goods and services are provided.

Investment income is recognised on a receivable basis.

Income relating to events is recognised within trading activities on delivery of the performance. Income is deferred when ticket sales are received or invoiced in advance of the performances or event to which they relate.

Other income from charitable activities is recognised as earned, as the related services are provided.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Resources expended are included in the Statement of Financial Activities on an accruals basis, exclusive of VAT. They include:

Charitable activities include all costs relating to activities where the primary aim is part of the objects of the charity along with the indirect costs.

Cost of raising funds comprises the costs incurred by 11Arches Night Show Limited.

Governance costs include Trustee expenses along with audit and accountancy fees.

**Intangible Fixed Assets**

Intangible assets are initially recognised at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised at their expected useful economic lives on a straight-line basis as follows.

Software	3 years straight line
Artistic direction/music	5-10 years straight line

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised as income or expenditure.

**Notes to the financial statements for the period ended 31 December 2024**

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**1 Accounting policies** *(continued)*

**Tangible Fixed Assets**

Fixed assets are initially measured at cost and subsequently measured at cost less accumulated depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Freehold land	Not depreciated
Freehold buildings	10-30 years straight line
Assets under construction	Not depreciated until brought in to use
Fixtures and fittings	5-10 years straight line
Plant and equipment	3-10 years straight line
Motor vehicles	5 years straight line

Depreciation is not charged on land as under normal circumstances the residual values are considered to be greater than cost. However, the carrying values are viewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The gain or loss on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to income or expenditure.

Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are then derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities.

**Impairment of Fixed Assets**

At each reporting date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss (if any).

**Stocks**

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and those overheads that have been incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to sell is recognised as an impairment loss in the income and expenditure account. Reversals of impairment losses are also recognised in profit and loss.

**Notes to the financial statements for the period ended 31 December 2024**

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**1 Accounting policies (*continued*)**

**Fixed Asset Investments**

In the charity only accounts, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

**Leasing**

An asset and corresponding liability are recognised for leasing agreements that transfer to the charity substantially all of the risks and rewards incidental to ownership ('Finance Leases'). All other leases are operating leases.

*Operating leases – the group as a lessee*

The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the statement of financial activities on a straight line basis over the period of the lease.

**Retirement Benefits**

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The amount charged to the statement of financial activities is the contributions payable in the year. Differences between contributions payable in the year and actually paid are shown as either prepayments or accruals.

**Termination Benefits**

Termination benefits are accounted for when the group terminates employment. Amounts are recognised when the group has communicated its plan of termination to the affected employees.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

**Short Term Investments:**

Short term investments include deposit accounts with a maturity of three to twelve months.

**Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.



**Notes to the financial statements for the period ended 31 December 2024**

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**1 Accounting policies (*continued*)**

**Financial Instruments**

The group has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

**Basic Financial Assets**

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

**Classification of Financial Liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic Financial Liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**Reduced Disclosure Options**

In accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 ‘Statement of Cash Flows’ – Presentation of a Statement of Cash Flow and related notes and disclosures (in relation to the Charity’s own statement of cash flows – a consolidated statement of cash flows is presented in these financial statements)

Notes to the financial statements for the period ended 31 December 2024

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Period ended 31 December 2024	Year ended 30 September 2023
	£	£	£	£
Donations	8,060,000	-	8,060,000	10,850
Total 2023	10,850	-	10,850	-

**Notes to the financial statements for the period ended 31 December 2024**

**3 Income from trading activities**

	Unrestricted Funds £	Restricted Funds £	Period ended 31 December 2024 Total £	Year ended 30 September 2023 Total £
Ticket sales	1,578,332	-	1,578,332	1,133,648
Retail income	80,011	-	80,011	45,238
Catering income	292,802	-	292,802	172,965
	<u>1,951,145</u>	<u>-</u>	<u>1,951,145</u>	<u>1,351,851</u>
Total 2023	<u>1,351,851</u>	<u>-</u>	<u>1,351,851</u>	<u>-</u>

**4 Investment income**

	Unrestricted Funds £	Restricted Funds £	Period ended 31 December 2024 Total £	Year ended 30 September 2023 Total £
Bank interest	167,100	-	167,100	283,497
Interest on theatre tax relief	3,880	-	3,880	-
	<u>170,980</u>	<u>-</u>	<u>170,980</u>	<u>283,497</u>
Total 2023	<u>283,497</u>	<u>-</u>	<u>283,497</u>	<u>-</u>

**5 Other income**

	Unrestricted Funds £	Restricted Funds £	Period ended 31 December 2024 Total £	Year ended 30 September 2023 Total £
Other	33,891	-	33,891	51,103
Theatre tax	257,385	-	257,385	252,800
	<u>291,276</u>	<u>-</u>	<u>291,276</u>	<u>303,903</u>
Total 2023	<u>303,903</u>	<u>-</u>	<u>303,903</u>	<u>-</u>

**Notes to the financial statements for the period ended 31 December 2024**

**6 Expenditure**

**Charitable activities**

	Direct costs £	Unrestricted funds Staff costs £	Support costs £	Restricted funds £	Period ended 31 December Total £	Year ended 30 September 2023 Total £
<b>Charitable activities:</b>						
Project costs	1,849,568	-	-	-	1,849,568	1,205,569
Premises costs	-	-	143,368	-	143,368	90,233
Light and heat	-	-	232,145	-	232,145	124,056
Staff costs (note 8)	-	1,748,068	-	-	1,748,068	609,873
Office costs	-	-	49,961	-	49,961	43,082
Equipment	-	-	86,821	-	86,821	37,556
Marketing and advertising	-	-	432,707	-	432,707	232,791
Travel costs	-	-	44,282	-	44,282	68,741
Legal and professional fees	-	-	130,854	-	130,854	32,431
Consultancy and	-	-	17,920	-	17,920	55,935
Other costs	-	-	20,144	-	20,144	32,891
Staff development	-	-	25,022	-	25,022	18,812
Staff recruitment	-	-	52,298	-	52,298	72,002
Governance	-	-	49,700	-	49,700	13,500
Depreciation	-	-	2,464,367	-	2,464,367	1,643,065
Amortisation	-	-	242,310	-	242,310	194,781
Loss on disposal of fixed assets	-	-	6,868	-	6,868	-
Loss on foreign currency exchange	-	-	9,836	-	9,836	-
	<u>1,849,568</u>	<u>1,748,068</u>	<u>4,008,603</u>	<u>-</u>	<u>7,606,239</u>	<u>4,475,318</u>
Total 2023	<u>1,205,569</u>	<u>609,873</u>	<u>2,659,876</u>	<u>-</u>	<u>4,475,318</u>	

**Raising funds**

	Unrestricted General Funds £	Unrestricted Designated Funds £	Period ended 31 December 2024 Total £	Year ended 30 September 2023 Total £
11Arches Night Show Limited	593,511	-	593,511	364,321
Total 2023	<u>364,321</u>	<u>-</u>	<u>364,321</u>	

**Notes to the financial statements for the period ended 31 December 2024**

**7 Net income/(expenditure)**

	<b>Period ended 31 December 2024 £</b>	<b>Year ended 30 September 2023 £</b>
Net income/(expenditure) is stated after charging/(crediting):		
Auditor's remuneration: - audit	28,000	22,000
- tax advisory	4,000	3,000
- accountancy	8,200	6,500
Operating lease charges	685	593
Exchange losses/(gains)	9,836	(16,174)
Depreciation	2,464,367	1,643,065
Amortisation	242,310	194,782
	<u>2,753,008</u>	<u>1,859,866</u>

**8 Staff costs, trustee remuneration and expenses and the cost of key management personnel**

	<b>Period ended 31 December 2024 £</b>	<b>Year ended 30 September 2023 £</b>
<b>Staff costs:</b>		
Wages and salaries	1,185,066	471,465
Social security costs	136,373	73,149
Other pension costs	55,868	63,509
	<u>1,377,307</u>	<u>608,123</u>
Other staff costs	10,345	1,750
Restructuring costs	360,416	-
	<u>1,748,068</u>	<u>609,873</u>
Subcontract costs	930,588	427,918
Agency costs	41,339	-
	<u>971,927</u>	<u>427,918</u>
	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
The average number of employees during the year were:		
Management and administration	22	9
	<u>22</u>	<u>9</u>

**Notes to the financial statements for the period ended 31 December 2024**

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**8 Staff costs, trustee remuneration and expenses and the cost of key management personnel**  
*(continued)*

**Higher paid staff**

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

	<b>2024 No.</b>	<b>2023 No.</b>
£110,000 - £119,999	1	-
£170,000 - £179,999	1	-
£270,000 - £279,999	-	1
£430,000 - £439,000	1*	-

*\*This salary includes £360,416 of restructuring costs.*

**Trustee remuneration**

No trustee received remuneration during the period (2023: £nil) and no trustee received payment for professional or other services supplied to the charity (2023: £nil).

The aggregate amount of travelling and subsistence expenses reimbursed to trustees during the period was £nil (2023: £nil).

**Key Management Personnel**

The key management personnel of the group and charity comprise the Trustees, the Executive Director, the Chief Executive Officer, Chief Technical Officer, Chief Operating Officer.

Total employee benefits of the key management personnel for the period were £882,198 (2023: £428,596) including £360,416 (2023: £nil) of restructuring costs. This excludes amounts paid to contracted staff of £149,243 (2023: £286,275).

**Restructuring costs**

Included in staff restructuring costs are 1 (2023: nil) termination payments totalling £360,416 (2023: £nil). All of the payments were made during the year so that there were £nil outstanding at the year end (2023: £nil).

**Notes to the financial statements for the period ended 31 December 2024**

**9 Intangible fixed assets**

**Group and charity**

	<b>Software</b> <b>£</b>	<b>Artistic</b> <b>Direction</b> <b>£</b>	<b>Total</b> <b>£</b>
<b>Cost</b>			
At 1 October 2023	4,365	2,179,347	2,183,712
Additions	-	1,403	1,403
At 31 December 2024	4,365	2,180,750	2,185,115
<b>Amortisation</b>			
At 1 October 2023	4,365	1,646,445	1,650,810
Charge for period	-	242,310	242,310
At 31 December 2024	4,365	1,888,755	1,893,120
<b>Net book value</b>			
At 31 December 2024	-	291,995	291,995
At 30 September 2023	-	532,902	532,902

The amortisation charge for the period is recognised within expenditure on charitable activities.

**Notes to the financial statements for the period ended 31 December 2024**

**10 Tangible fixed assets**

**Group**

	<b>Freehold Land and Buildings £</b>	<b>Assets Under Construction £</b>	<b>Plant and Equipment £</b>	<b>Fixtures and Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 October 2023	23,174,980	361,250	7,694,496	381,057	80,731	31,692,514
Additions	2,135,469	281,356	1,781,865	160,816	36,840	4,396,346
Disposals	-	-	(3,950)	(61,479)	(3,000)	(68,429)
Transfers	2,200,540	-	(2,200,540)	-	-	-
At 31 December 2024	27,510,989	642,606	7,271,871	480,394	114,571	36,020,431
<b>Depreciation</b>						
At 1 October 2023	6,845,901	-	5,299,108	197,912	34,162	12,377,083
Charge for period	1,533,778	-	829,168	83,877	17,544	2,464,367
Disposals	-	-	(33)	(58,528)	(3,000)	(61,561)
Transfers	222,164	-	(222,164)	-	-	-
At 31 December 2024	8,610,843	-	5,906,079	223,261	48,706	14,779,889
<b>Net book value</b>						
At 31 December 2024	18,909,146	642,606	1,365,792	257,133	65,865	21,240,542
At 30 September 2023	16,329,079	361,250	2,395,388	183,145	46,569	19,315,431

Assets under construction relate to assets in development for the new day park which are not complete at 31 December 2024.

During the year management have performed a review of the fixed asset classification and have elected to transfer assets from plant and equipment into land and buildings to better reflect the nature of the assets.



**Notes to the financial statements for the period ended 31 December 2024**

**10 Tangible fixed assets (continued)**

**Charity**

	<b>Freehold Land and Buildings £</b>	<b>Assets Under Construction £</b>	<b>Plant and Equipment £</b>	<b>Fixtures and Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 October 2023	23,174,980	361,250	7,694,496	378,765	80,731	31,690,222
Additions	2,135,469	281,356	1,781,865	160,816	36,840	4,396,346
Disposal	-	-	(3,950)	(59,187)	(3,000)	(66,137)
Transfers	2,200,540	-	(2,200,540)	-	-	-
At 31 December 2024	27,510,989	642,606	7,271,871	480,394	114,571	36,020,431
<b>Depreciation</b>						
At 1 October 2023	6,845,901	-	5,299,108	195,620	34,162	12,374,791
Charge for period	1,533,778	-	829,168	83,877	17,544	2,464,367
Disposal	-	-	(33)	(56,236)	(3,000)	(59,269)
Transfers	222,164	-	(222,164)	-	-	-
At 31 December 2024	8,601,843	-	5,906,079	223,261	48,706	14,779,889
<b>Net book value</b>						
At 31 December 2024	18,909,146	642,606	1,365,792	257,133	65,865	21,240,542
At 30 September 2023	16,329,079	361,250	2,395,388	183,145	46,569	19,315,431

All tangible fixed assets are held for charitable purposes.

During the year management have performed a review of the fixed asset classification and have elected to transfer assets from plant and equipment into land and buildings to better reflect the nature of the assets.

**Notes to the financial statements for the period ended 31 December 2024**

**11 Fixed asset investments**

**Charity**

**Investment in subsidiary undertaking**

	<b>31 Dec 2024 £</b>	<b>30 Sept 2023 £</b>
Investments – shares in group undertakings:		
At 1 October 2023 and 31 December 2024	10	10

The wholly-owned subsidiary, 11Arches Night Show Limited (company number 09235236), which is incorporated in the United Kingdom, pays its taxable profits to the charity by gift aid. The subsidiary's registered office is Flatts Farm, Toronto, Bishop Auckland, Co Durham, United Kingdom, DL14 7SF. The charity owns the entire issued share capital of 10 ordinary shares of £1 each. A summary of the trading results is shown below:

	<b>Period ended 31 December 2024 £</b>	<b>Year ended 30 September 2023 £</b>
<b>Summary profit and loss account</b>		
Turnover	1,982,819	1,378,430
Expenses	(1,971,029)	(1,365,027)
Interest received	60,711	39,266
Net profit before tax	72,501	52,669

	<b>31 Dec 2024 £</b>	<b>30 Sept 2023 £</b>
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**The assets and liabilities of the subsidiary were:**

Fixed assets	-	-
Current assets	1,233,620	2,197,960
Creditors: amounts falling due in one year	(1,161,111)	(2,145,283)
Provisions for liabilities	(357)	(357)
Total net assets	72,152	52,320
Aggregate share capital and reserves	72,152	52,320

**Notes to the financial statements for the period ended 31 December 2024**

**12 Stocks**

	<b>31 Dec 2024 £</b>	<b>Group 30 Sept 2023 £</b>	<b>31 Dec 2024 £</b>	<b>Charity 30 Sept 2023 £</b>
Goods purchased for resale	50,237	67,254	-	-

<b>13 Debtors</b>	<b>31 Dec 2024 £</b>	<b>Group 30 Sept 2023 £</b>	<b>31 Dec 2024 £</b>	<b>Charity 30 Sept 2023 £</b>
Trade debtors	3,180	-	3,180	-
Amounts owed by group undertakings	-	-	945,924	1,807,100
Other debtors	183,072	92,902	205,970	123,181
Prepayments and accrued income	1,062,477	334,647	1,062,477	334,647
	<u>1,248,729</u>	<u>427,549</u>	<u>2,217,551</u>	<u>2,264,928</u>

**14 Creditors: Amounts falling due within one year**

	<b>31 Dec 2024 £</b>	<b>Group 30 Sept 2023 £</b>	<b>31 Dec 2024 £</b>	<b>Charity 30 Sept 2023 £</b>
Trade creditors	116,094	462,542	115,955	324,867
Other taxation and social security	18,024	41,299	18,024	41,299
Amounts owed to group undertakings	-	-	-	-
Other creditors	2,569	1,818	-	1,352
Accruals and deferred income	570,262	203,836	394,432	40,435
	<u>706,949</u>	<u>709,495</u>	<u>528,411</u>	<u>407,953</u>

**Notes to the financial statements for the period ended 31 December 2024**

**15 Deferred income**

	<b>31 Dec 2024 £</b>	<b>Group 30 Sept 2023 £</b>	<b>31 Dec 2024 £</b>	<b>Charity 30 Sept 2023 £</b>
Balance as at 1 October 2023	57,207	57,903	-	-
Released from previous years	(57,207)	(57,903)	-	-
Resources deferred in the year	259,461	57,207	100,000	-
Balance as at 31 December 2024	<u>259,461</u>	<u>57,207</u>	<u>100,000</u>	<u>-</u>

Deferred income comprises ticket income received in advance and a donation of £100,000 received in the year relating to projects in 2025.

**16 Provisions for liabilities**

<b>Group</b>	<b>31 Dec 2024 £</b>	<b>30 Sept 2023 £</b>
Deferred tax liability	<u>357</u>	<u>357</u>

There was no deferred tax liability in the charity.

**17 Movement on funds**

**Group**

	<b>At 1 October 2023 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers Between Funds £</b>	<b>At 31 December 2024 £</b>
<b>Unrestricted funds</b>					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	<u>25,414,722</u>	<u>10,473,401</u>	<u>(8,199,750)</u>	<u>-</u>	<u>27,688,373</u>
Total funds	<u>26,537,615</u>	<u>10,473,401</u>	<u>(8,199,750)</u>	<u>-</u>	<u>28,811,266</u>
<b>Restricted funds</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>26,537,615</u>	<u>10,473,401</u>	<u>(8,199,750)</u>	<u>-</u>	<u>28,811,266</u>

**Notes to the financial statements for the period ended 31 December 2024**

**Charity**

	<b>At 1 October 2023 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers Between Funds £</b>	<b>At 31 December 2024 £</b>
<b>Unrestricted funds</b>					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	25,362,412	8,472,705	(7,596,403)	-	26,238,714
Total funds	26,485,305	8,472,705	(7,596,403)	-	27,361,607
<b>Restricted funds</b>	-	-	-	-	-
Total funds	26,485,305	8,472,705	(7,596,403)	-	27,361,607

**17 Movement on funds (continued)**

*Designated funds:*

**Land Fund** – value of the amounts which have been acquired through gifts from third parties for the site on which the 11Arches project is located.

**Funds prior year**

**Group**

	<b>At 1 October 2022 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers Between Funds £</b>	<b>At 30 September 2023 £</b>
<b>Unrestricted funds</b>					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	28,304,260	1,950,101	(4,839,639)	-	25,414,722
Total funds	29,427,153	1,950,101	(4,839,639)	-	26,537,615

**Charity**

	<b>At 1 October 2022 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers Between Funds £</b>	<b>At 30 September 2023 £</b>
<b>Unrestricted funds</b>					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	28,267,790	1,569,940	(4,475,318)	-	25,362,412
Total funds	29,390,683	1,569,940	(4,475,318)	-	26,485,305

**Notes to the financial statements for the period ended 31 December 2024**

**17 Movement on funds (continued)**

**Group**

<b>Fund balances at 31 December 2024 are represented by:</b>	<b>Unrestricted General Funds £</b>	<b>Unrestricted Designated Funds £</b>	<b>Total 2024 £</b>
Fixed assets	20,409,644	1,122,893	21,532,537
Current assets	7,986,035	-	7,986,035
Creditors: amounts due within one year	(706,949)	-	(706,949)
Provisions for liabilities	(357)	-	(357)
	<u>27,688,373</u>	<u>1,122,893</u>	<u>28,811,266</u>

<b>Fund balances at 30 September 2023 are represented by:</b>	<b>Unrestricted General Funds £</b>	<b>Unrestricted Designated Funds £</b>	<b>Total 2023 £</b>
Fixed assets	18,725,440	1,122,893	19,848,333
Current assets	7,399,134	-	7,399,134
Creditors: amounts due within one year	(709,495)	-	(709,495)
Provisions for liabilities	(357)	-	(357)
	<u>25,414,722</u>	<u>1,122,893</u>	<u>26,537,615</u>

**Charity**

<b>Fund balances at 31 December 2024 are represented by:</b>	<b>Unrestricted General Funds £</b>	<b>Unrestricted Designated Funds £</b>	<b>Total 2024 £</b>
Fixed assets	20,409,654	1,122,893	21,532,547
Current assets	6,789,065	-	6,789,065
Creditors: amounts due within one year	(960,005)	-	(960,005)
	<u>26,238,714</u>	<u>1,122,893</u>	<u>27,361,607</u>

<b>Fund balances at 30 September 2023 are represented by:</b>	<b>Unrestricted General Funds £</b>	<b>Unrestricted Designated Funds £</b>	<b>Total 2023 £</b>
Fixed assets	18,725,450	1,122,893	19,848,343
Current assets	7,044,915	-	7,044,915
Creditors: amounts due within one year	(407,953)	-	(407,953)
	<u>25,362,412</u>	<u>1,122,893</u>	<u>26,485,305</u>

**Notes to the financial statements for the period ended 31 December 2024**

**18 Reconciliation of movements in funds to net cash flow from operating activities**

	<b>31 Dec</b>	<b>30 Sept</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure)	2,273,651	(2,889,538)
Interest received	(170,980)	(283,497)
Depreciation	2,464,367	1,643,065
Amortisation	242,310	194,781
Loss on disposal of tangible fixed assets	6,868	-
Decrease/(increase) in stock	17,017	(14,394)
Increase in debtors	(821,180)	(106,587)
(Decrease)/increase in creditors	(2,546)	214,874
<b>Net cash provided by/(used in) operating activities</b>	<b>4,009,507</b>	<b>(1,320,320)</b>

**19 Related party transactions**

Related party transactions took place in the period of account other than certain trustees and key management personnel remuneration and expenses already disclosed in note 8.

	<b>Relationship</b>	<b>Income</b>	<b>Expenditure</b>	<b>Year end balance</b>
Lempriere Pringle	Common trustee	8,000,000	-	-
The Auckland Project	Common trustee	3,830	110,673	2,172
Twinkle Bee Limited	Common control	-	490,079	-
The Auckland Project	Common control	-	11,619	-

All related party transactions were at an arm's length basis.

There were also purchases of Fixed assets from Weldrack Limited of £135,027.

As at 31 December 2024, £945,924 was owed by 11Arches Night Show Limited to the charity (30 September 2023: £1,807,100).

During the financial period, a trustee donated £160,000 to the charity (2023: £nil) of which £100,000 is deferred as at 31 December 2024 (30 September 2023: £nil).

**20 Pension scheme**

The group operates a defined contribution scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The contributions payable by the group charged to income and expenditure amounted to £55,868 (2023: £63,509), and all related to unrestricted funds. Amounts outstanding of £nil (2023: £3,097) are included in other creditors.

**Notes to the financial statements for the period ended 31 December 2024**

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**21 Taxation**

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**22 Volunteers**

The group places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly from the considerable time, energy and expertise given by the Board of Trustees.

Placing a monetary value on the contribution of the volunteers presents significant difficulties. With the lack of a market comparator price for general volunteers, it is impractical for their contribution to be measured reliably for accounting purposes. Given the absence of a reliable measurement basis, the contribution of volunteers has not been included as income in the accounts.

The role played by and contributions the volunteers make is discussed in detail in the Trustee's Report.

**23 Capital commitments**

As at 31 December 2024, the group and charity had intangible capital commitments of £26,190 (30 September 2023: £nil) and tangible capital commitments of £105,932 (30 September 2023: £nil).

**24 Operating lease commitments – Group and Charity**

At the reporting end date the group and charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>31 Dec 2024 £'000</b>	<b>30 Sept 2023 £'000</b>
Within one year	715	-
Between one and five years	2,145	-
In over five years	-	-
	<hr/>	<hr/>
	2,860	-
	<hr/>	<hr/>

**25 Control**

The charity is controlled by the Board of Trustees.