

Charity registration number 220256 (England and Wales)

Company registration number 00242886

**PEOPLE'S THEATRE ARTS GROUP LIMITED**  
**(LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2025**

**PEOPLE'S THEATRE ARTS GROUP LIMITED**  
**(LIMITED BY GUARANTEE)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Chairman</b>	A De'Ath	
<b>Trustees</b>	S Appleby P Willis X Burbridge A Childs S Cooper M Hope T Swinton J Wilson Craw M Burden L Heckels-Thompson C Mawston S Wallace A De'ath C Heckels-Thompson	            (Appointed 10 October 2024) (Appointed 10 October 2024)
<b>Secretary</b>	H Birleson	
<b>Treasurer</b>	K Scott	
<b>Charity number</b>	220256	
<b>Company number</b>	00242886	
<b>Registered office</b>	Stephenson Road Newcastle upon Tyne NE6 5QF	
<b>Auditor</b>	Sumer Auditco Limited Unit 2 Gosforth Park Avenue Newcastle upon Tyne NE12 8EG	
<b>Bankers</b>	Barclays Bank plc 49 - 51 Northumberland Street Newcastle upon Tyne NE1 7AF	

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# PEOPLE'S THEATRE ARTS GROUP LIMITED (LIMITED BY GUARANTEE) CONTENTS

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# PEOPLE'S THEATRE ARTS GROUP LIMITED

## (LIMITED BY GUARANTEE)

### TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

#### FOR THE YEAR ENDED 31 JULY 2025

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The trustees present their report and financial statements for the year ended 31 July 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the company's governing document, 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 and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

There have been no significant changes in the principal activities of the company since last year which are those of an arts group. The objective of the group is to promote the arts within Newcastle upon Tyne and the wider region. A summary of the aims of the organisation, from the theatre's constitution, states that "The Company is established to promote, maintain and advance education by the encouragement of the Arts, including the Arts of drama, mime, dance, singing and music and to formulate, prepare and establish schemes therefore provided that all objects of the Company shall be of a charitable nature."

#### ***How our activities deliver public benefit***

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The trustees consider that the activities undertaken by the charity provide a direct benefit to those who attend the performances staged during the year and to the wider community.

In addition by making the theatre facilities available to a wide range of school, dance, community and other charitable organisations we have given several thousand local residents access to facilities and experiences they would not otherwise enjoy.

#### **Achievements and performance**

It's been another year of contrasts. We have played again to virtually similar record audience numbers to last year and have received a lot of praise for the variety and professionalism of our production. Our income levels have therefore been good - higher than last year. However we have had to spend more than we usually do. There are now many requirements for assessments and audits of different types and all this costs money and has meant that it has not proved possible to really start building up our reserves again after the very large expenditure in 2023-24. We do realistically expect that we will start to build them up again during the Autumn/Winter season with both the pantomime and the January show which both bring in larger than usual audiences.

We mentioned last year that we would be seeking funding for some major works and we are delighted to welcome a professional fundraiser, David Beuzeval, who will be helping us with this. Many of you will remember Gill Adams, without whom we would not have achieved the funding for the redevelopment work some years ago, and David has been recruited in a similar capacity.

During this coming year we are putting on additional productions, in the studio, the aim being to increase use of our space and to hopefully bring-in more audience!

And in conclusion we are grateful for the huge amount of time and effort so many of you give to the theatre and we Look forward to another exciting, if challenging, year ahead.

#### **Financial review**

The results for the year under review can be seen on page 8.

The statement of financial activities shows total incoming resources to be £344,878 (2024: £328,265). The surplus on the unrestricted funds for the year before transfers amounted to £39,473 (2024: deficit £50,522). Restricted funds at the end of the period amounted to £933,140 (2024: £1,023,214) and unrestricted funds £249,974 (2024: £210,501).

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 JULY 2025**

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***Reserves policy***

The People's Theatre Arts Group Limited reserves policy deals with our general fund. The purpose of the reserves is to ensure we are able to properly manage unusual situations – for example, where an unexpected large expense is incurred, or where our income fails on an ongoing basis to cover our costs or, in a worst case scenario, the theatre had to close.

We aim to hold in reserve sufficient money in our general fund to cover at least six-month's expenditure. The reasons for this are :-

- It would give us time to readjust our working model to ensure that our future income did cover our costs.
- It would enable us to cover most unexpected large expenses.
- In the worst case scenario of the theatre having to close, we would have sufficient funds to continue to pay running costs on the building until such time as these would no longer be our responsibility. Additionally we would have funds to cover professional legal or financial advisors if they were needed.

The Charity's total reserves amounted to £1,183,114 (2024: £1,233,715) at the year end. Of this £249,974 (2024: £210,501) is unrestricted. £933,140 (2024: £1,023,214) is the restricted People's Fund and the majority of this fund is now represented by tangible fixed assets, namely leasehold improvements.

The 'free reserves' of the charity (defined as those unrestricted funds not designated for specific purposes or tied up in fixed assets) stood at £139,182 at the year end (2024: £94,638).

***Risk***

The trustees meet on a regular basis to consider the major strategic and operational risks of the charity and act accordingly to mitigate those risks.

**Structure, governance and management**

The company is a company limited by guarantee and does not have a share capital. The company is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S Appleby	
P Willis	
X Burbridge	
A Childs	
S Cooper	
A Dalglish	(Resigned 10 October 2024)
M Hope	
T Swinton	
J Wilson Craw	
M Burden	
K Corfield	(Resigned 10 October 2024)
C Ellis	(Resigned 10 October 2024)
L Heckels-Thompson	
C Mawston	
S Wallace	
A De'ath	(Appointed 10 October 2024)
C Heckels-Thompson	(Appointed 10 October 2024)

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 JULY 2025**

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The Trustees are the Board of Directors who are elected by the Members at the Annual General Meeting. Candidates must hold full membership and are nominated by full members. They hold office for one year and are eligible for re-election. The theatre holds an AGM each year, in September or October, which is open to all members. As well as reporting on activities during the year, the accounts are presented and nominations for the Management Committee and Productions Committee are put considered and the members of these committees for the coming year are elected.

The Management Committee has overall responsibility for the theatre, and is composed of the Chairman, Secretary and Treasurer of the theatre, plus up to 9 trustees. They meet on a monthly basis and review all major activity at the theatre, review theatre governance as required, and review the theatre finances at each meeting.

The Productions Committee is responsible for the programme of plays put on each season – for choosing the programme, ensuring performance rights are secured, ensuring appropriate teams and cast are organised for each play, and reviewing the success of each play. They meet on a weekly basis.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

**Statement of trustee's responsibilities**

The trustees, who are also the directors of People's Theatre Arts Group Limited for the purpose of company law, are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 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 company will continue in operation.

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

**Auditor**

In accordance with the company's articles, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be put at a General Meeting.

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 JULY 2025**

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The trustee's report was approved by the Board of Trustees.

**H Birleson**  
**Secretary**

Dated: 23 September 2025

**M Hope**  
**Chairman**

Dated:23 September 2025

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PEOPLE'S THEATRE ARTS GROUP LIMITED**

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**Opinion**

We have audited the financial statements of People's Theatre Arts Group Limited (the 'company') for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet and the 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 charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 trustee's 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 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 the 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.

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 our audit:

- the information given in the trustee's report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustee's report has been prepared in accordance with applicable legal requirements.



**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF PEOPLE'S THEATRE ARTS GROUP LIMITED**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustee's report.

We have nothing to report in respect of the following matters in relation to which 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the statement of trustee's responsibilities, the trustees, who are also the directors of the company for the purpose 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 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF PEOPLE'S THEATRE ARTS GROUP LIMITED**

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**Capability of the audit in detecting irregularities, including fraud**

Based on our understanding of the charitable company and the sector in which it operates, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert throughout the audit.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence and legal costs incurred; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

**Mr Stephen Slater (Senior Statutory Auditor)  
for and on behalf of Sumer Auditco Limited  
Statutory Auditor  
Unit 2  
Gosforth Park Avenue  
Newcastle upon Tyne  
NE12 8EG**

Date: 29 September 2025

**PEOPLE'S THEATRE ARTS GROUP LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2025**

Current financial year		Unrestricted funds general 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
<b>Income from:</b>					
Donations and legacies	3	45,932	-	45,932	45,316
Charitable activities	4	252,146	-	252,146	241,745
Other trading activities	5	45,885	-	45,885	39,998
Investments	6	915	-	915	1,206
<b>Total income</b>		<u>344,878</u>	<u>-</u>	<u>344,878</u>	<u>328,265</u>
<b>Expenditure on:</b>					
Raising funds	7	47,461	9,834	57,295	56,250
Charitable activities	8	257,944	64,084	322,028	373,097
Other expenditure	10	-	16,156	16,156	16,574
<b>Total expenditure</b>		<u>305,405</u>	<u>90,074</u>	<u>395,479</u>	<u>445,921</u>
<b>Net income/(expenditure)</b>		<u>39,473</u>	<u>(90,074)</u>	<u>(50,601)</u>	<u>(117,656)</u>
<b>Net movement in funds</b>		<u>39,473</u>	<u>(90,074)</u>	<u>(50,601)</u>	<u>(117,656)</u>
<b>Reconciliation of funds:</b>					
Fund balances at 1 August 2024		<u>210,501</u>	<u>1,023,214</u>	<u>1,233,715</u>	<u>1,351,371</u>
<b>Fund balances at 31 July 2025</b>		<u>249,974</u>	<u>933,140</u>	<u>1,183,114</u>	<u>1,233,715</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**PEOPLE'S THEATRE ARTS GROUP LIMITED**  
**(LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 JULY 2025**

Prior financial year		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes				
<b>Income from:</b>					
Donations and legacies	3	30,316	-	15,000	45,316
Charitable activities	4	241,745	-	-	241,745
Other trading activities	5	39,998	-	-	39,998
Investments	6	1,206	-	-	1,206
<b>Total income</b>		<u>313,265</u>	<u>-</u>	<u>15,000</u>	<u>328,265</u>
<b>Expenditure on:</b>					
Raising funds	7	46,416	-	9,834	56,250
Charitable activities	8	317,371	-	55,726	373,097
Other expenditure	10	-	-	16,574	16,574
<b>Total expenditure</b>		<u>363,787</u>	<u>-</u>	<u>82,134</u>	<u>445,921</u>
<b>Net income</b>		(50,522)	-	(67,134)	(117,656)
Transfers between funds		<u>3,310</u>	<u>(3,310)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(47,212)	(3,310)	(67,134)	(117,656)
<b>Reconciliation of funds:</b>					
Fund balances at 1 August 2023		<u>257,713</u>	<u>3,310</u>	<u>1,090,348</u>	<u>1,351,371</u>
<b>Fund balances at 31 July 2024</b>		<u>210,501</u>	<u>-</u>	<u>1,023,214</u>	<u>1,233,715</u>

**PEOPLE'S THEATRE ARTS GROUP LIMITED**  
**(LIMITED BY GUARANTEE)**  
**BALANCE SHEET**  
**AS AT 31 JULY 2025**

	Notes	2025 £	£	2024 £	£
<b>Fixed assets</b>					
Tangible assets	14		1,493,610		1,564,239
<b>Current assets</b>					
Debtors	15	32,501		45,649	
Cash at bank and in hand		103,680		77,623	
		136,181		123,272	
<b>Creditors: amounts falling due within one year</b>	17	(71,428)		(46,847)	
<b>Net current assets</b>			64,753		76,425
<b>Total assets less current liabilities</b>			1,558,363		1,640,664
<b>Creditors: amounts falling due after more than one year</b>	18	(375,249)		(406,949)	
<b>Net assets</b>			1,183,114		1,233,715
<b>The funds of the company</b>					
Restricted income funds	21	933,140		1,023,214	
Unrestricted funds	23	249,974		210,501	
			1,183,114		1,233,715

The financial statements were approved by the trustees on 23 September 2025

M Hope  
**Chairman**

Company registration number 00242886 (England and Wales)

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**1 Accounting policies**

**Charity information**

People's Theatre Arts Group Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Stephenson Road, Newcastle upon Tyne, NE6 5QF.

**1.1 Basis of preparation**

The financial statements have been prepared in accordance with the company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The company is a Public Benefit Entity as defined by FRS 102.

The company has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Income**

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

All grant income is recognised gross when receivable.

Play tickets are deferred when bookings are received in advance of the play to which they relate.

**PEOPLE'S THEATRE ARTS GROUP LIMITED**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2025**

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**1 Accounting policies**

**(Continued)**

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to a category. Where costs cannot be directly attributed to a particular heading they have been allocated to activities on a basis consistent with the use of resources.

**1.6 Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost including irrecoverable VAT.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold improvements	Over remaining term of lease
Computer equipment	3 or 4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1.7 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible 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 the impairment loss (if any).

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**PEOPLE'S THEATRE ARTS GROUP LIMITED  
(LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2025**

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**1 Accounting policies**

**(Continued)**

**1.9 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.10 Taxation**

The company is a registered charity and no taxation is payable on its income.

**1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.13 Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expensed for which it was incurred.

**1.14 Concessionary loans**

Concessionary loans are initially recognised and measured at the amount received, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest.



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**2 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

***Assessing indicators of impairment***

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

***Key sources of estimation uncertainty***

**Determining residual values and useful economic lives of tangible fixed assets**

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

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**3 Donations and legacies**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	28,560	13,283	-	13,283
Legacies receivable	-	285	-	285
Grants	-	2,500	15,000	17,500
Membership subscriptions	17,372	14,248	-	14,248
	<u>45,932</u>	<u>30,316</u>	<u>15,000</u>	<u>45,316</u>

**Grants receivable for core activities**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Charitable Trusts	-	2,500	15,000	17,500
	<u>-</u>	<u>2,500</u>	<u>15,000</u>	<u>17,500</u>

**4 Charitable activities**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Play tickets	227,218	223,398
Programme sales	4,576	4,904
Theatre tax relief	20,352	13,443
	<u>252,146</u>	<u>241,745</u>

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**5 Other trading activities**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Premises hire	28,284	18,547
Wardrobe and equipment hire	417	591
Green room	17,004	14,582
Sundry	180	6,278
	<u>          </u>	<u>          </u>
Other trading activities	45,885	39,998
	<u>          </u>	<u>          </u>

**6 Investments**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	915	1,206
	<u>          </u>	<u>          </u>

**7 Raising funds**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
<u>Fundraising and publicity</u>				
Support costs	47,461	9,834	57,295	56,250
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	47,461	9,834	57,295	56,250
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>For the year ended 31 July 2024</b>				
Fundraising and publicity	46,416	9,834		56,250
	<u>          </u>	<u>          </u>		<u>          </u>

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**8 Charitable activities**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Royalties	10,477	6,262
Stage expenses	24,193	7,548
Water	2,265	1,393
Wardrobe expenses	1,890	4,177
Repairs and renewals	37,641	114,365
Props	2,083	2,494
Other direct costs	11,406	8,683
Programmes	354	1,186
House expenses	4,891	2,160
Publicity	22,048	13,471
Irrecoverable VAT	21,350	32,231
	<u>138,598</u>	<u>193,970</u>
Share of support costs (see note 9)	173,715	168,852
Share of governance costs (see note 9)	9,715	10,275
	<u>322,028</u>	<u>373,097</u>
<b>Analysis by fund</b>		
Unrestricted funds	257,944	317,371
Restricted funds	64,084	55,726
	<u>322,028</u>	<u>373,097</u>

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**9 Support costs**

	Support costs	Governance costs	2025	2024	Basis of allocation
	£	£	£	£	
Staff costs	66,749	-	66,749	64,744	Staff time
Depreciation	70,629	-	70,629	70,629	Use of premises
Electricity and gas	37,747	-	37,747	36,473	Use of premises
Insurance	14,861	-	14,861	13,364	Use of premises
Cleaning	33,062	-	33,062	30,713	Use of premises
Printing, postage and telephone	3,796	-	3,796	3,172	Use of premises
Sundry expenses	2,640	-	2,640	4,508	Use of premises
Bank charges	1,526	-	1,526	1,499	Use of premises
Audit fees	-	2,000	2,000	2,000	Governance
Legal and professional	-	7,715	7,715	8,275	Governance
	<u>231,010</u>	<u>9,715</u>	<u>240,725</u>	<u>235,377</u>	
<b>Analysed between</b>					
Fundraising	57,295	-	57,295	56,250	
Charitable activities	173,715	9,715	183,430	179,127	
	<u>231,010</u>	<u>9,715</u>	<u>240,725</u>	<u>235,377</u>	

Governance costs includes payments to the auditors of £2,000 (2024: £2,000) for audit fees and £1,034 (2024: £1,344) for non audit services.

**10 Other**

	Restricted funds 2025 £	Restricted funds 2024 £
Financing costs	<u>16,156</u>	<u>16,574</u>

**11 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the company during the year in their capacity as trustee. T Swinton, a trustee during the year, received a gross salary £16,625 (2024: £17,293) during the year in respect of his position as theatre technician.

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**12 Employees**

The average monthly number of employees during the year was:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
Operating of theatre	9	9

<b>Employment costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	65,862	63,894
Other pension costs	887	850
	<u>66,749</u>	<u>64,744</u>

There were no employees whose annual remuneration was more than £60,000.

**13 Taxation**

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

**14 Tangible fixed assets**

	<b>Leasehold</b>	<b>Computer</b>	<b>Total</b>
	<b>improvements</b>	<b>equipment</b>	
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 August 2024	2,054,980	16,168	2,071,148
At 31 July 2025	<u>2,054,980</u>	<u>16,168</u>	<u>2,071,148</u>
<b>Depreciation and impairment</b>			
At 1 August 2024	490,741	16,168	506,909
Depreciation charged in the year	70,629	-	70,629
At 31 July 2025	<u>561,370</u>	<u>16,168</u>	<u>577,538</u>
<b>Carrying amount</b>			
At 31 July 2025	<u>1,493,610</u>	<u>-</u>	<u>1,493,610</u>
At 31 July 2024	<u>1,564,239</u>	<u>-</u>	<u>1,564,239</u>

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**15 Debtors**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	6,755	12,076
Other debtors	4,375	2,767
Prepayments and accrued income	21,371	30,806
	<u>32,501</u>	<u>45,649</u>

**16 Loans and overdrafts**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Debenture loans	376,948	387,212
Other loans	15,000	30,000
	<u>391,948</u>	<u>417,212</u>
Payable within one year	16,699	10,263
Payable after one year	<u>375,249</u>	<u>406,949</u>

The other loans are from members. They have been provided as concessionary loans for the purpose of furtherance of the charitable activities of the charity. The loans are repayable over 5 years, after a 3 year repayment holiday starting from the date of the loan. No interest is payable on these loans and no security has been given by the charity.

**17 Creditors: amounts falling due within one year**

	<b>Notes</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
Borrowings		16,699	10,263
Other taxation and social security		-	5,154
Deferred income	<b>19</b>	26,057	17,771
Trade creditors		10,204	6,137
Other creditors		14,021	4,179
Accruals		4,447	3,343
		<u>71,428</u>	<u>46,847</u>

The obligations under the mortgage are secured on the assets to which they relate to.

**18 Creditors: amounts falling due after more than one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Borrowings	<u>375,249</u>	<u>406,949</u>

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**18 Creditors: amounts falling due after more than one year** **(Continued)**

The obligations under the mortgage are secured on the assets to which they relate to.

**19 Deferred income**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other deferred income	26,057	17,771

Deferred income is included in the financial statements as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Current liabilities	26,057	17,771
Movements in the year:		
Deferred income at 1 August 2024	17,771	14,864
Released from previous periods	(17,771)	(14,864)
Resources deferred in the year	26,057	17,771
Deferred income at 31 July 2025	26,057	17,771

**20 Retirement benefit schemes**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	887	850

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

**21 Restricted funds**

The income funds of the charity include the following funds comprising of unexpended resources:

	<b>At 1 August 2024</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 July 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Redevelopment fund	1,008,214	-	(81,716)	926,498
LED Lighting	15,000	-	(8,358)	6,642
	1,023,214	-	(90,074)	933,140



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**21 Restricted funds** **(Continued)**

Previous year:	At 1 August 2023 £	Incoming resources £	Resources expended £	At 31 July 2024 £
Redevelopment fund	1,090,348	-	(82,134)	1,008,214
LED Lighting	-	15,000	-	15,000
	<u>1,090,348</u>	<u>15,000</u>	<u>(82,134)</u>	<u>1,023,214</u>

**22 Nature and purpose of funds**

***Redevelopment fund***

This fund is restricted and was set up in 2013 for the sole purpose of funding the theatre refurbishment and extension project.

The majority of this fund is now represented by tangible fixed assets, namely leasehold improvements.

***LED lighting***

Grant towards the costs of purchase and installation of new stage LED lights.

**23 Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 August 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2025 £
General funds	<u>210,501</u>	<u>344,878</u>	<u>(305,405)</u>	<u>-</u>	<u>249,974</u>
<b>Previous year:</b>	<b>At 1 August 2023 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>At 31 July 2024 £</b>
General funds	<u>257,713</u>	<u>313,265</u>	<u>(363,787)</u>	<u>3,310</u>	<u>210,501</u>

**24 Unrestricted funds - designated**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

Previous year:	At 1 August 2023 £	Transfers £	At 31 July 2024 £
Technical equipment upgrades	<u>3,310</u>	<u>(3,310)</u>	<u>-</u>

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**25 Analysis of net assets between funds**

	<b>Unrestricted funds 2025 £</b>	<b>Restricted funds 2025 £</b>	<b>Total 2025 £</b>
<b>At 31 July 2025:</b>			
Tangible assets	110,792	1,382,818	1,493,610
Current assets/(liabilities)	148,182	(83,429)	64,753
Long term liabilities	(9,000)	(366,249)	(375,249)
	<u>249,974</u>	<u>933,140</u>	<u>1,183,114</u>
	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total 2024 £</b>
<b>At 31 July 2024:</b>			
Tangible assets	115,863	1,448,376	1,564,239
Current assets/(liabilities)	124,638	(48,213)	76,425
Long term liabilities	(30,000)	(376,949)	(406,949)
	<u>210,501</u>	<u>1,023,214</u>	<u>1,233,715</u>

**26 Related party transactions**

**Transactions with related parties**

During the year the company entered into the following transactions with related parties:

	<b>Donations received</b>	
	<b>2025 £</b>	<b>2024 £</b>
Trustees	900	1,000
Key management personnel	240	-
	<u>1,140</u>	<u>1,000</u>

During the year £1,140 donated to the charity was unrestricted (2024: £1,000).

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**26 Related party transactions**

**(Continued)**

The following amounts were outstanding at the reporting end date:

	<b>Amounts owed to related parties</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Entities with common trustees	4,000	4,000
Trustees	7,000	10,000
Key management personnel	8,000	-
	<u>19,000</u>	<u>14,000</u>

All amounts outstanding are unsecured and interest free.

The amount due from entities with common trustees is repayable on demand, all other amounts are repayable equally over 5 years, after a remaining period of 2 years without repayment. There is no interest charged on the amounts due.

The following amounts were outstanding at the reporting end date:

	<b>Amounts owed by related parties</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Entities with common trustees	1,710	1,710
	<u>1,710</u>	<u>1,710</u>

No guarantees have been given or received.