

THE NEW THEATRE ROYAL-TRUSTEES (PORTSMOUTH) LIMITED

England & Wales · Charity number 271976

Details

Other names	THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH), NEW THEATRE ROYAL TRUSTEES (PORTSMOUTH) LTD, THEATRE ROYAL TRUST
Status	Registered
Legal form	Charitable company
Company number	01266053
Registered	1976-10-04
Register	View on the Charity Commission register

Contact

Address	New Theatre Royal 20-24 Guildhall Walk Portsmouth PO1 2DD
Phone	02392649000
Email	info@newtheatreroyal.com
Website	www.newtheatreroyal.com

Activities

Objects: THE ENCOURAGEMENT OF THE ARTS AND THE PROMOTION AND ADVANCEMENT OF AESTHETIC EDUCATION AND THE CULTIVATION AND IMPROVEMENT OF PUBLIC TASTE IN DRAMA, OPERA, MUSIC, BALLET, PAINTING AND SCULPTURE, CINEMA, LITERATURE AND OTHER ARTS.

Activities: The Trust is responsible for the upkeep and running of a grade 2* listed theatre and aims to celebrate that heritage. The New Theatre Royal promotes and presents a programme of both professional touring work and local amateur performances that includes theatre, music and dance. A comprehensive programme of workshops, classes and other work complete the educational and community portfolio.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** PORTSMOUTH
- Hampshire
- Portsmouth City
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-30	£1,369,680	£1,525,405	£314,624	40
2024-03-31	£1,262,640	£1,437,826	£470,349	40
2023-03-31	£1,715,557	£1,232,919	£645,535	33
2022-03-31	£639,098	£793,158	£162,897	22
2021-03-31	£221,955	£322,443	-	-

Trustees

Name	Role	Appointed
Damon Trevor Repton	Chair	2025-04-30
Catherine Helena Cole		2023-03-05
DAVID TERENCE GANT		2025-05-30
Graeme Brian Quar		2025-04-30
Hannah Louise Ashwell		2023-03-16
Ian Heggie Pratt		2024-07-22
Penelope Jane Prescott		2025-04-30

THE NEW THEATRE ROYAL-TRUSTEES (PORTSMOUTH) LIMITED

England & Wales - Charity number 271976

Accounts

The New Theatre Royal —
Trustees (Portsmouth) Limited

Limited by Guarantee

**Trustees' Report
and Financial Statements**

for the year ended 30 March 2025

Registered Charity Number 271976

Registered Company Number 01266053

NEW
THEATRE
ROYAL
PORTSMOUTH

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

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THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

CHARITY INFORMATION

REGISTERED CHARITY NAME	The New Theatre Royal - Trustees (Portsmouth) Limited
CHARITY NUMBER	271976
COMPANY REGISTRATION NUMBER	01266053
PRINCIPAL AND REGISTERED OFFICE	New Theatre Royal 20—24 Guildhall Walk Portsmouth Hampshire PO1 2DD
TRUSTEES (at date of signing)	Mr Damon Repton (Chair) (*) Ms Hannah Ashwell Mrs Catherine Helena Cole Mr David Gant (*) Mr Ian Pratt (appointed 22 July 24) Ms Penelope Prescott (*) Mr Graeme Quar (*) (*) Appointed on 30 April 25 as representatives of Kings Theatre Trust Limited following change of control.
SECRETARY	None
KEY MANAGEMENT PERSONNEL (at date of signing)	Richard Pearce (CEO of Kings Theatre Trust) (Sheena Hulme acted as CEO during the year and resigned on 30 th June 2025 and Amanda Hart resigned as Head of Finance on 20 th June 2025)
AUDITOR	Blue Spire Limited Cawley Priors South Pallant Chichester PO19 1SY
BANKERS	Lloyds Bank plc 38 London Road North End Portsmouth PO2 OLR

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of NTR for the year ended 30 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of NTR.

REFERENCE AND ADMINISTRATIVE DETAILS

Throughout these accounts, the term "NTR" refers, variously according to context, to the company and to the charity called "The New Theatre Royal – Trustees (Portsmouth) Limited" along with the theatre with the name "New Theatre Royal, Portsmouth", owned and managed by the company.

The schedule "Charity Information" on page one provides details on NTR's registered number, company number, registered office, trustees, advisers and offices.

The abbreviation "KTT" refers to The Kings Theatre Trust Limited, a company registered in England & Wales (CRN 03983443) and also a charity (CRO 1088254).

POST-YEAR END CHANGE IN CONTROL

Early in 2025, the trustees of NTR commenced a process to merge the operations of the charity with KTT, which owns and manages the other main theatre in Portsmouth that is approximately four times the size in terms of revenue.

On 30th April 2025, the first step in this process completed when KTT became the sole member of NTR. Three serving trustees continued in their roles and were joined by four new trustees, all of whom also served as KTT trustees. The day-to-day management of both theatres is undertaken by a team of managers from both theatres, headed by Richard Pearce (CEO of Kings), which is overseen initially by an Executive Board of trustees and then the Main Board.

In due course, a full consolidation of assets and undertakings into one single entity will be considered. For the time being, both legal entities and operations continue separately whilst co-operating under common control and management.

The decision to combine operations enables the two theatres to work in co-operation rather than in competition. Previously, by having two organisations operating separately, there was a considerable duplicative management effort and financial expense, both seeking limited fundraising sources, which could be avoided through a common approach. The culture of both organisations was similar, with a shared commitment to creating inclusive, vibrant cultural spaces that serve the Portsmouth environs. Whilst both buildings are heritage, Frank Matcham-designed theatres (with the associated maintenance challenges), they are different in size and layout such that they complement each other by the type of art event they can handle. NTR, being smaller in size yet with modern studio facilities and connection to the University, naturally lends itself to smaller events or community-based activity.

Conversely, the NTR trustees perceived increasing risk in trying to continue independently, some of this being inherently unavoidable as a small organisation. There were difficulties in recruiting

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

and retaining good quality trustees, similarly senior management. There were limited financial resources available for promotion and investment in facilities. It had been recently confirmed that the theatre needed significant grant support to address a roof repair and had little expertise in fundraising and managing such a project.

These accounts deal with the year to 30th March 2025, which comprises the last period under the control of the previous board. Future accounts will be for the period to 31st August 2026 in line with those for KTT and consolidated with its results.

THE TRUSTEES

Trustees who served on the Board of NTR during the year were as follows:

Ms Angela Parks (Chair) (resigned 30th April 2025)

Ms Hannah Ashwell

Ms Helena Berry (resigned 29th April 2025)

Mrs Catherine Helena Cole

Dr Anna Farthing (appointed 18th September 2023, resigned 20th May 2024)

Mr Christopher Gambis (resigned 15th February 2025)

Ms Sally Garner Gibbons (appointed 21st June 2024, resigned 30th April 2025)

Cllr George Madgwick (appointed 29th June 2023, resigned 12th June 2024) (*)

Mr David Parfitt (appointed 22nd June 2024, resigned 30th April 2025)

Ms Catherine Pearce (appointed 24th June 2024, resigned 30th April 2025)

Mr Ian Pratt (appointed 22 July 24)

Ms Janet Rawson (resigned 30th April 2025)

Mr Benjamin Roberts (resigned 30th April 2025)

Mr James Tickell (appointed 1st May 2024, resigned 30th April 2025)

Cllr Gerald Vernon-Jackson (reappointed 27th June 2024, resigned 30th April 2025) (*)

(*) = Portsmouth City Council (PCC) representative

NTR wishes to thank all the trustees who served during this period for their time and commitment, especially for their thoughtful and considered input into the process of merging with KTT.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

NTR is a company limited by guarantee and is governed by its Memorandum and Articles of Association originating from 29 June 1976 as subsequently amended. It is a charity registered with the Charity Commission for England and Wales.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

Appointment of trustees

Trustees are appointed either by nomination by Portsmouth City Council (the local authority funding body) or by nomination and election. All appointments are confirmed at the Annual General Meeting. In compliance with the Articles and Memorandum of Association, the three longest serving board members are required to be re-elected at each AGM and no member shall serve more than nine years.

Organisation

During the year under review, the then management team (consisting of Sheena Hulme as interim CEO and Amanda Hart as Head of Finance) undertook a review of the organisation and presented a new Five Year Strategic Plan in September 2024. The trustees approved the Plan and the Board was reorganised to support the new strategic aims for the theatre that was being implemented by management.

Board members served during the year on the following committees to support the key areas of operation or strategy: Finance and Risk Committee (bi-monthly meetings); Staffing and Remuneration Committee (quarterly); Community (quarterly); Building (monthly); and Fundraising (monthly). Appropriate staff members and co-optees may also be members of these committees and advisory panels.

To facilitate effective operations, the Chair has authority, within the terms of delegation approved by the trustees and described in the 2006 Act, to give support and oversight to those managing the day-to-day operations of NTR. Additional delegated authority includes operational activities relating to finance, recruitment and employment, business planning and development, trading, fundraising and marketing. Authority delegated to the Chair and committee members is subject to Board approval. Board members and staff are required to complete and sign a declaration of interests form and may be required not to participate in decision making where a conflict is identified.

The authority of the Chair could be delegated to the Deputy Chair, as decided by the Chair and trustees (where appropriate) where the Chair is practically unable to undertake her duties.

During the year, the Board met formally on a two-monthly basis, with Committee meetings in between as was necessary.

The change of control after the year end, with KTT becoming the sole member, has seen a combined management approach to running both theatres together, with immediate oversight by a single Executive Board of trustees and co-optees reporting to the main boards of both entities.

The Annual General Meeting usually takes place in October (although one was not formally held in 2025 with the member now being solely KTT).

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TRUSTEES' REPORT

Remuneration process

During the year, personnel remuneration was reviewed on an annual basis by the management team, taking into consideration benchmarked industry averages, minimum wage increases, affordability and staff development. Remuneration policy was agreed with, and its adherence monitored by, the Finance and Risk Committee. In addition, there was a Staffing and Remuneration Committee, which agreed the salary of the management team, and reviewed and agreed the proposed increases for all other staff.

The role of these committees has now been taken on by the Executive Board overseeing both theatres.

Volunteers

NTR operates a busy volunteer programme and continually seeks to recruit new volunteers. Volunteers provide support to front of house, marketing, maintenance support, archiving and historical research and recording, as well as assistance at community events. The trustees wish to thank all volunteers, without whom the venue could not operate.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects for which NTR was established are the encouragement of the Arts, the promotion and advancement of aesthetic education and the cultivation and improvement of public taste in drama, opera, music, ballet, painting and sculpture, cinema, literature, and the other arts.

These objectives and the activities based upon them have been agreed by reference to, and in accordance with, the Charity Commission guidance on public benefit.

In pursuit of these charitable objects for the public benefit, NTR presents performances at the New Theatre Royal and other venues within Portsmouth and the region. NTR also organises and runs a comprehensive and growing programme of educational and community workshops. These areas of activity are commensurate with the vision and objectives of the company to provide recreation, education and both individual and community benefits, social and economic.

NTR seeks to operate partnerships with other arts organisations in the region and across the UK and works closely with many local community and education organisations. There is close liaison with other local arts providers and NTR works with community groups from a diverse variety of interests and art forms. The trustees would like to thank all its partners and supporters, and their contribution to our objectives and activities.

Achievements and performance during the year

During 2024-25, NTR continued its approach of delivering a varied programme of professional and community events, with a balance of popular entertainment, culturally stimulating shows and events intended to help the less fortunate in the local community. It focused our community activity on children and young people, refugees and asylum seekers, and emerging artists.

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TRUSTEES' REPORT

As shown by the key indicators summarised below, the theatre is successfully building activity to a level that is both financially sustainable as well as purposeful as a charity in its local area.

	2024/25	2023/24	2022/23
	£000	£000	£000
<i>Productions</i>	119	99	92
<i>Performances</i>	232	194	209
<i>Ticket Sales (for shows in year)</i>	66,501	54,665	61,200
<i>Participatory Events</i>	292	324	341
<i>Participators</i>	38,783	34,266	16,647
<i>Gross Ticket Sales (£000)</i>	1,269	1,146	1,176
<i>Artistic Spend (£000)</i>	472	512	429

The year included these highlights:

- a) The pantomime collaboration with Jordan Productions continued into its fifth year, with the production of *Beauty and the Beast*, attracting the highest level of ticket sales year on year for the pantomime.
- b) NTR continued to partner with Associate Artists Downtown Pompey, Filskit Theatre and Two Colours Ukrainian Choir, as they delivered projects to their own target groups. It invested in and supported these theatrical production companies by granting free access to auditorium and rehearsal spaces, provision of technical theatre support, marketing and publicity, ticket sales and promotion and assisting with outreach work and administrative support.
- c) The theatre continued to offer subsidised tickets on most shows for 16–25-year-olds, free culture cards for refugees and young people in care, Holiday Activities with Food (HAF) workshops and access performances. It offered work placements for school, college and University students providing work experience for over 20 students during the last year. In this respect, NTR has close collaboration with local authorities, Chichester and Portsmouth universities, local colleges and schools and London Studios.
- d) During the year the theatre enabled the recruitment of another technical apprentice to the technical theatre team, with the opening of a two-year technical theatre apprenticeship. In March 2025 it advertised a new apprenticeship post in the marketing team, bringing our marketing team to three full time marketeers, and successfully recruited a new apprentice who has joined NTR since year end, marking two new apprenticeship opportunities for the local creative workforce.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

Fundraising standards information

Fundraising activity at NTR currently comprises:

- a) The application for and receipt of grants for core or project funds.
- b) Donations from the public through the website or in person.
- c) A Friends Membership scheme.
- d) The promotion of sponsorship opportunities associated with key projects or events.

As part of NTR's 5 Year Strategic Plan adopted in September 2024, a new fundraising strategy was approved and a programme of new Fundraising activities commenced. Fundraising activity was managed by NTR's management team supported by a new Fundraising Committee, with the oversight of the Board.

During the first few months of this new fundraising programme, NTR has been fortunate to receive grants from Portsmouth City Council, The Foyle Foundation, D'Oyly Carte, Portsmouth Creates and Equity Charitable Trust. These funds have been restricted for community and education projects, theatre sound equipment and repair of the theatre heating system. The trustees thank all those who have supported NTR by granting these vital funds.

FINANCIAL REVIEW

Principal financial matters

The statement of financial activity in these accounts shows a deficit of £155,725, after accounting for a depreciation charge of £79,786 (2024: £175,186 deficit before depreciation of £53,250).

The deficit for the year under review includes an additional provision of £100,000 being set aside for a significant repair project concerning the roof of the theatre building, adding to an existing provision of £70k. The scope of this project has yet to be determined and fully costed, depending in part on the success of a fundraising initiative. Consequently, contractual commitments have not yet been made by the date of this report. Nevertheless, the trustees believe that this project, being critical to the proper future functioning of the theatre, is sufficiently likely to occur that it is appropriate to make a provision for it in these accounts. The quantum of provision reflects what the trustees are likely to approve in any event, being an initial estimate of repair cost of £400,000 and Portsmouth City Council has indicated it would make a landlord contribution of £230,000 with NTR meeting the balance from its own resources. If further fundraising succeeds in raising more money, then that would allow an extension in project scope.

The results also include the benefit of three restricted fund grants totalling £34,000, including one for £25,000 where the associated expenditure of £25,000 has been capitalised as fixed assets and where expenses on the remainder will be incurred in future periods. These items should not be regarded as normal operating revenue.

After allowing for the above features, NTR saw a notable reduction in the underlying deficit level during the year, although still below breakeven. Since year end, with continued revenue at

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

historically high levels and cost savings as a result of the arrangement with KTT, the theatre is currently operating at around breakeven.

Principal risks

The Main Board has the responsibility for reviewing all risks facing the organisation and ensuring wherever possible that mitigation is in place. The Board delegated the detailed examination of the risk register to the Finance and Risk Committee during the year (and subsequently the Executive Board that now oversees both theatres).

In the current environment, NTR continues to face a range of significant risks, notwithstanding that its finances were transformed by the release of withheld grants; by developing its programme and income streams and reducing its costs so that a breakeven point can currently be reached; and latterly the arrangement with the financially stronger KTT.

The first principal risk relates to the buildings and the fact that responsibility for maintenance will lie with NTR from 2026, with the need for the roof repair project to commence shortly. To mitigate this risk, the Board recently appointed a trustee with experience in this area and now benefits from personnel available within KTT with expertise in building maintenance and charity fundraising. These are assessing the maintenance cost exposure in collaboration with Portsmouth City Council, which will support the management team in working with PCC to ensure that the building is maintained appropriately.

The second principal risk reflects the uncertain general economic environment. Consumer spending on arts events remains a readily avoidable expenditure when pressures increase on family budgets. Coupled with the opening of new venues locally, NTR faces box office pressures that put at risk its newly found financial stability.

The third principal risk concerns management capacity and the need to ensure the success of the recent arrangement with KTT that was partly undertaken to address this issue. Whilst the theatre has successfully addressed recent operating deficits and is currently breaking even, that recovery is fragile and always dependent on key staff. The existing team needed to broaden and develop to ensure continued growth as well as to support community engagement projects and the building repair project. Recruitment and retention of senior management recruitment to support growth is always a challenge and was more difficult as a standalone theatre. The KTT arrangement provided an opportunity to bring together the skills and experience of two management teams and build upon the strength of governance and the quality of the cultural programme.

Investment powers and policy

Under the Memorandum and Articles of Association, NTR has the power to invest in any way the trustees wish in furtherance of its objectives.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

Reserves policy

Reserves are to be spent (at the trustees' discretion) in furtherance of NTR's objectives. The policy is to retain sufficient free reserves that equate to approximately three to four months of overhead expenditure. The calculation of free reserves ignores the fixed asset reserve but includes the designated sustainability reserve and adds back the long-term loan that is effectively permanent funding. This would provide sufficient funds to cover management, administration and support costs. The target level before the arrangement with KTT was around £225k. This has since reduced significantly, as most senior management roles and administrative functions are now shared with KTT, and is assessed now to be around £150k.

The value of the free reserves as at 31 March 2025 was also around £150k, reduced due to the decision to provide £100k for the roof repair project. The trustees remain resolved to continue to build up NTR's free reserves over the next few years, albeit operating within a financially stronger group setting with KTT.

PLANS FOR FUTURE PERIODS

Recent accounts set out the following approach, encapsulated within a Five Year Strategic Plan that was developed and adopted by the Board in September 2024:

1. Establish NTR's civic role through developing new collaborative relationships with Portsmouth City Council (freeholder), University of Portsmouth (co-located) and other anchor institutions such as Royal Navy, NHS, Local Enterprise Partnership, employers, schools, colleges, community groups and the creative and cultural sector.
2. Complete a new strategy for sustainable, creative, cultural and placemaking activity, then commence implementation.
3. Enhance the management team through training, development and possible recruitment at senior levels.
4. Continue to address issues concerning NTR's governance and on diversity and inclusion raised by separate external reviews.
5. Produce and deliver against an income generation strategy to develop and diversify income for NTR.
6. Continue planning for resuming responsibility for the maintenance of the fabric of the building from 2026, with a particular emphasis on the need to commence the roof repair project.

This Strategic Plan covers NTR's Strategies for developing the creative programme both on and off stage, developing diverse audiences, offering a widening choice of activities to support local communities, and strengthening NTR's long term sustainability both financially through fundraising and partnerships, and environmentally through innovation and investment.

For 2026 and beyond, future plans for investing in the programme, audiences, community and the beautiful Grade II* listed building, are strengthened further by the arrangement with KTT, fellow Matcham theatre in Southsea. A shared vision of Sustainable Cultural Infrastructure in the City of Portsmouth brings together the two theatres at an exciting time in their histories as they

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produce and host diverse programmes of quality theatre productions whilst embarking upon ambitious regeneration plans that will transform their heritage architecture into modern, welcoming, civic spaces. As they embark upon their future together, the group's trustees and management teams will develop a new shared Plan for future years that will build upon NTR's growth and success of the last few years.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the company, NTR, for the purposes of company law) are responsible for preparing the trustees' annual 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 income and expenditure, of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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 auditor is aware of that information.

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

The board of trustees conduct continuous monitoring of the financial and operational position based on current and projected figures.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

TRUSTEES' REPORT

AUDITOR

Blue Spire Limited was reappointed as auditor at the previous annual general meeting for the purpose of these accounts. Following the change of control with KTT, we expect the next accounts to be consolidated with those for KTT and audited by its auditors.

This report has been prepared having taken advantage of the exemption for small companies in the Companies Act 2006.

Approved by the trustees on 29th January 2026 and signed on their behalf.

Damon Repton

Damon Repton

Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the members of The New Theatre Royal — Trustees (Portsmouth) Limited

Opinion

We have audited the financial statements of The New Theatre Royal—Trustees (Portsmouth) Limited for the year ended 30 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 charitable company's affairs as at 30 March 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 (applicable to smaller entities); 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 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 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.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

INDEPENDENT AUDITOR'S REPORT

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 directors' report and from the requirement to prepare a strategic report.

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INDEPENDENT AUDITOR'S REPORT

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Companies Act 2006 and the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reading minutes of meeting of those charged with governance.
- Challenging assumptions made by management in their significant accounting estimates in particular those relating to provisions.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

INDEPENDENT AUDITOR'S REPORT

- Enquiry of those charged with governance around actual and potential litigation and claims.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. 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.



Geoffrey Frost BSc (Hons) FCA, Senior Statutory Auditor
For and on behalf of Blue Spire Limited, Statutory Auditors
Cawley Priory, South Pallant, Chichester, West Sussex P019 1SY

29 January 2026

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

STATEMENT OF FINANCIAL ACTIVITIES

(INCOME AND EXPENDITURE ACCOUNT)

		2025			2024
		Unrestricted Funds		Restricted	
		General	Designated	Funds	Total Funds
Note		£	£	£	£
Items arising during the year					
INCOME FROM:-					
Donations and legacies	1	98,285	-	34,000	132,285
Other trading activities	2	6,711	-	-	6,711
Investments	3	23,609	-	-	23,609
Charitable activities	4	1,207,075	-	-	1,207,075
Other	5	-	-	-	-
Total		1,335,680	-	34,000	1,369,680
EXPENDITURE ON:-					
Raising funds	6	-	-	-	-
Charitable activities	7	1,445,619	79,786	-	1,525,405
Total		1,445,619	79,786	-	1,525,405
Net income/(expenditure)		(109,939)	(79,786)	34,000	(155,725)
Gross transfers between funds	20	(43,305)	68,305	(25,000)	-
Tax on activities	10	-	-	-	-
Net movement in funds		(153,244)	(11,481)	9,000	(155,725)
RECONCILIATION OF FUNDS					
Total funds brought forward	20	55,585	414,764	-	470,349
Total funds carried forward	20	(97,659)	403,283	9,000	314,624

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

BALANCE SHEET

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	13	303,283	314,764
Total fixed assets		303,283	314,764
CURRENT ASSETS			
Stock of goods for resale	14	4,452	4,258
Debtors	15	24,964	52,505
Cash at bank and in hand		903,310	848,224
Total current assets		932,726	904,987
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	16	(771,385)	(599,402)
Net current assets/(liabilities)		161,341	305,585
Total assets less current liabilities		464,624	620,349
Creditors: Amounts falling due after more than one year	18	(150,000)	(150,000)
Total assets/(liabilities)		314,624	470,349
THE FUNDS OF THE CHARITY			
Restricted funds	20	9,000	-
Unrestricted funds			
General reserves	19-20	(97,659)	55,585
Designated funds	19-20	403,283	414,764
Total unrestricted funds		305,624	470,349
Total charity funds		314,624	470,349

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 22 to 35 form part of these accounts.

Approved by the trustees on 29th January 2026 and signed on their behalf.

Damon Repton

Damon Repton, Chair

The New Theatre Royal - Trustees (Portsmouth) Limited (Company No.: 01266053)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

STATEMENT OF CASH FLOWS

	2025	2024
	£	£
Net cash flow from operating activities (see below)	99,260	266,292
Cash flow from disposal of freehold property and shares	-	-
Cash flow from investing activities		
Payments made to acquire tangible fixed assets	(68,305)	(9,005)
Interest received	23,609	10,590
Net cash flow from investing activities	(44,696)	1,585
Net increase/(decrease) in cash and cash equivalents	54,564	267,877
Cash and cash equivalents at 1 April 2024	844,737	576,860
Cash and cash equivalents at 30 March 2025	899,301	844,737
Reconciliation of net income to net cash flow from operating activities		
	2025	2024
	£	£
Net income for the year	(155,725)	(175,186)
Adjusted for:		
Interest receivable	(23,609)	(10,590)
Depreciation and impairment of tangible fixed assets	79,786	53,250
Decrease/(increase) in stock	(194)	4,646
Decrease/(increase) in debtors	27,541	309,337
Increase/(decrease) in creditors	171,461	84,835
	254,985	441,478
Net cash flow from operating activities (see above)	99,260	266,292

Analysis of changes in net debt				At 30 March
	At 1 Apr 2024	Cash flows	Other non-cash changes	2025
Cash and cash equivalents				
Cash at bank and in hand	848,224	55,086	-	903,310
Bank overdraft repayable on demand	(3,487)	(522)	-	(4,009)
Total	844,737	54,564	-	899,301

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

The New Theatre Royal - Trustees (Portsmouth) Limited is an incorporated charity, limited by guarantee, incorporated in England with the company number 01266053. In the event of the NTR being wound up, the liability in respect of the guarantee is limited to £10 per member. The address of the registered office is given in the charity information page of these financial statements. The nature of the NTR's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of NTR and rounded to the nearest £.

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

Incoming resources

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

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

Investment income in the form of bank interest is recognised as the right to receive payment is established.

For legacies, entitlement is the earlier of being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified where it is not yet possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

ACCOUNTING POLICIES

constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Staff costs, support costs and governance costs

Support costs are those that assist the work of NTR but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Staff costs have been allocated between costs of raising funds, charitable activities and governance costs on the basis of time spent by staff. Support costs cannot be directly attributed to particular headings and have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated to charitable activities on the best estimate of the use of those resources.

Governance costs are costs associated with the general running of NTR as opposed to the day to day activities. Governance costs have been allocated to cost of charitable activities on the basis they form part of carrying out those activities.

Allocation of support costs and governance costs

Support costs and governance costs are allocated to the different activities within expenditure on charitable activities on the basis of the number of clients involved in each activity.

Employee benefits

When employees have rendered service to NTR, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised on the same basis as expenditure as outlined above.

NTR operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

NTR is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no corporation tax is payable on its activities.

VAT

NTR is registered for VAT and operates on a standard basis. Costs are recorded net of VAT within the SOFA.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

ACCOUNTING POLICIES

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment - 15 years
- Fixtures and fittings - 5 years
- Freehold buildings - 50 years

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Unrestricted designated funds are funds used, or set aside for use, for specific purposes at the discretion of the trustees.

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

Going concern

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

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

has been applied against this expenditure in these accounts with a transfer of £25,000 shown in the analysis of movement between funds in Note 20.

- b) The D'Oyly Carte Charitable Trust provided a grant of £4,000 in March 2025 for a community project that had not commenced by the year end. These funds accordingly remain as a restricted fund balance at 30 March 2025.
- c) The Equity Charitable Trust provided a grant of £5,000 in November 2025 for the repair of the heating system in the theatre. This project had started but not completed at the year end and accordingly these funds comprise the balance of the restricted fund shown in the balance sheet at 30 March 2025.

2. Other trading activities

				2025
	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated	Funds	£
	£	£	£	£
Rental and hire income	6,711	-	-	6,711
	<u>6,711</u>	<u>-</u>	<u>-</u>	<u>6,711</u>

				2024
	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated	Funds	£
	£	£	£	£
Rental and hire income	9,249	-	-	9,249
	<u>9,249</u>	<u>-</u>	<u>-</u>	<u>9,249</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

3. Investments

				2025
	Unrestricted Funds		Restricted	Total Funds
	General	Designated	Funds	
	£	£	£	£
Bank interest receivable	23,609	-	-	23,609
	<u>23,609</u>	<u>-</u>	<u>-</u>	<u>23,609</u>
	<u><u>23,609</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>23,609</u></u>
				2024
				Total Funds
	Unrestricted Funds		Restricted	
	General	Designated	Funds	£
	£	£	£	£
Bank interest receivable	10,590	-	-	10,590
	<u>10,590</u>	<u>-</u>	<u>-</u>	<u>10,590</u>
	<u><u>10,590</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>10,590</u></u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

4. Charitable activities

	Unrestricted Funds		Restricted	2025
	General	Designated	Funds	Total Funds
	£	£	£	£
Ticket income	687,541	-	-	687,541
Community activity income	13,800	-	-	13,800
Merchandise income	19,090	-	-	19,090
Hire of theatre	188,052	-	-	188,052
Other income	127,877	-	-	127,877
Bar and catering income	170,715	-	-	170,715
	<u>1,207,075</u>	<u>-</u>	<u>-</u>	<u>1,207,075</u>

	Unrestricted Funds		Restricted	2024
	General	Designated	Funds	Total Funds
	£	£	£	£
Ticket income	702,232	-	-	702,232
Merchandise income	13,197	-	-	13,197
Hire of theatre	126,224	-	-	126,224
Other income	109,036	-	-	109,036
Bar and catering income	178,890	-	-	178,890
	<u>1,129,579</u>	<u>-</u>	<u>-</u>	<u>1,129,579</u>

5. Other income

There were no balances in the year to 30 March 2025 and the previous year under this heading.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

6. Raising funds

	2025			Total Funds £
	Unrestricted Funds		Restricted Funds	
	General £	Designated £	£	
Seeking donations and fundraising events	-	-	-	-
	-	-	-	-

	2024			Total Funds £
	Unrestricted Funds		Restricted Funds	
	General £	Designated £	£	
Seeking donations and fundraising events	1,083	-	-	1,083
	1,083	-	-	1,083

7. Charitable activities

	2025		2024	
	Theatre performance £	Total Funds £	Theatre performance £	Total Funds £
Artistic and outreach activity	487,432	487,432	512,573	512,573
Box office and front of house	7,886	7,886	23,479	23,479
Bar and catering costs	75,027	75,027	76,731	76,731
Marketing and advertising	70,472	70,472	72,460	72,460
Depreciation	79,786	79,786	53,250	53,250
Support costs (see note 8)	797,009	797,009	682,470	682,470
Governance costs (see note 8)	7,793	7,793	15,780	15,780
	1,525,405	1,525,405	1,436,743	1,436,743
General funds	1,445,619	1,445,619	1,383,493	1,383,493
Designated funds	79,786	79,786	53,250	53,250
	1,525,405	1,525,405	1,436,743	1,436,743

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

8. Support and governance costs

	2025			
	Fundraising costs	Charitable activities	Governance	Total Funds
	£	£	£	£
Staff payroll costs	-	467,224	-	467,224
Staff related costs	-	4,385	-	4,385
Premises	-	239,332	-	239,332
Communications and IT	-	24,008	-	24,008
Legal and professional	-	38,000	-	38,000
Advertising and printing	-	(157)	-	(157)
Accountancy	-	-	2,793	2,793
Auditor's remuneration	-	-	5,000	5,000
Finance charges	-	24,217	-	24,217
	-	797,009	7,793	804,802
Unrestricted general funds	-	797,009	7,793	804,802
	-	797,009	7,793	804,802

Premises costs includes an additional provision of £100,000 towards the roof repair project.

	2024			
	Fundraising costs	Charitable activities	Governance	Total Funds
	£	£	£	£
Staff payroll costs	-	439,272	-	439,272
Staff related costs	-	6,592	-	6,592
Premises	-	181,511	-	181,511
Communications and IT	-	17,896	-	17,896
Legal and professional	-	10,230	-	10,230
Advertising and printing	-	410	-	410
Accountancy	-	-	11,905	11,905
Auditor's remuneration	-	-	3,875	3,875
Finance charges	-	26,559	-	26,559
	-	682,470	15,780	698,250
Unrestricted general funds	-	682,470	15,780	698,250
	-	682,470	15,780	698,250

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

9. Auditor's remuneration

	Unrestricted Funds		2025
	General	Designated	Total Funds
	£	£	£
Auditor's remuneration - audit	4,278	-	4,278
Auditor's remuneration - taxation	125	-	125
	<u> </u>	<u> </u>	<u> </u>

	Unrestricted Funds		2024
	General	Designated	Total Funds
	£	£	£
Auditor's remuneration - audit	3,875	-	3,875
Auditor's remuneration - taxation	125	-	125
	<u> </u>	<u> </u>	<u> </u>

10. Tax on activities

There were no balances in the year to 30 March 2025 and the previous year under this heading.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

11. Wages and salary cost

	2025	2024
	Total Funds	Total Funds
	£	£
Gross wages	435,678	408,408
Employer's national insurance costs	24,498	24,161
Employer's pension contributions	7,048	6,702
	<u>467,224</u>	<u>439,271</u>
Staff numbers:		
Average head count	40	40
	<u>40</u>	<u>40</u>

There were no employees with employee benefits above £60,000 in this or the preceding year.

Pension Scheme

The charity operates a defined contribution plan for the benefit of its employees. Contributions payable to the scheme for the year under review amounted to £7,048 (2024: £6,702). At the balance sheet date, £1,435 (2024: £1,703) was payable in respect of these contributions.

12. Related party transactions

There is only one related party transaction. Ms Anna Farthing received salary and pension contributions totalling £17,720 (2024: £47,024) for the period when she was a trustee. Otherwise, none of the trustees a) was remunerated or received other benefits from employment with NTR or b) was reimbursed expenses or had expenses paid on their behalf during the year under review or the comparative year.

During the year under review NTR's key management personnel received employee benefits costing £97,042 (2024: £104,831) including related employer social security contributions. In addition, travel and subsistence expenses were reimbursed at cost only where these were wholly necessary for their roles.

There were no other transactions with related parties that require disclosure in the financial statements

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

13. Fixed assets

	Freehold property £	Theatre equipment £	Fixtures & fittings £	TOTAL £
Cost				
Brought forward	-	741,131	170,082	911,213
Additions	-	64,129	4,176	68,305
Disposals	-	-	-	-
Carried forward	-	805,260	174,258	979,518
Depreciation				
Brought forward	-	439,111	157,338	596,449
Charge for the year	-	75,110	4,676	79,786
On disposals	-	-	-	-
Carried forward	-	514,221	162,014	676,235
Net book value carried forward	-	291,039	12,244	303,283
Net book value brought forward	-	302,020	12,744	314,764

14. Stock

	2025 £	2024 £
Bar, café and ice cream stock	4,452	4,258

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

15. Debtors

	2025	2024
	£	£
Trade debtors	15,599	20,195
Tax debtors	-	16,749
Accrued grants	(20)	-
Prepayments and accrued income	9,385	15,561
	<u>24,964</u>	<u>52,505</u>

16. Creditors: Amounts payable within one year

	2025	2024
	£	£
Trade creditors	205,880	123,520
Accruals	245,026	139,550
Hire deposits	5,907	25,988
Deferred income (see below)	301,767	295,470
Taxation and social security	7,240	9,495
Bank overdrafts	4,009	3,487
Other creditors	1,556	1,892
	<u>771,385</u>	<u>599,402</u>

	Brought forward	Released in year	Deferred in year	Carried forward
Ticket sales in advance	295,470	(687,541)	693,838	301,767
	<u>295,470</u>	<u>(687,541)</u>	<u>693,838</u>	<u>301,767</u>

Accruals includes a provision now standing at £170k (£2024: £70k) set aside for the payment of the roof repair project that is described in the trustee report.

17. Contingent liability

At the balance sheet date, there are no known matters for which it would be appropriate to include a liability in these accounts or make reference to them in this note. The trustee report covers the imminent adoption of responsibility for maintaining the building under the terms of the lease and the provision for a roof repair project.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

18. Creditors: Amounts payable in more than one year

	2025	2024
	£	£
Loans	150,000	150,000
Analysed as payable: After five years	150,000	150,000

19. Analysis of net assets between funds

As at 31 March 2025

	Unrestricted funds		Restricted funds	Total funds	2024 Total funds
	General	Designated			
	£	£		£	£
Fixed assets	-	303,283	-	303,283	314,764
Net current assets/(liabilities)	52,341	100,000	9,000	161,341	305,585
Non-current liabilities	(150,000)	-	-	(150,000)	(150,000)
	(97,659)	403,283	9,000	314,624	470,349

As at 31 March 2024

	Unrestricted funds		Restricted funds	Total funds	2023 Total funds
	General	Designated			
	£	£		£	£
Fixed assets	-	314,764	-	314,764	403,156
Net current assets/(liabilities)	205,585	100,000	-	305,585	(90,259)
Non-current liabilities	(150,000)	-	-	(150,000)	(150,000)
	55,585	414,764	-	470,349	645,535

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

20. Analysis of movement in funds

Year to 31 March 2025

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
<u>Designated funds</u>						
Fixed asset reserve	314,764	-	(79,786)	68,305	-	303,283
Sustainability reserve	100,000	-	-	-	-	100,000
Total designated funds	414,764	-	(79,786)	68,305	-	403,283
<u>General reserves</u>	55,585	1,335,680	(1,445,619)	(43,305)	-	(97,659)
Total unrestricted funds	470,349	1,335,680	(1,525,405)	25,000	-	305,624
Restricted funds	-	34,000	-	(25,000)	-	9,000
Total funds	470,349	1,369,680	(1,525,405)	-	-	314,624

Transfers

The transfer of £68,305 to the fixed asset reserve represents the additions to fixed assets in the year. This includes the application of a £25,000 grant provided for that purpose and the transfer has to that extent been debited from restricted funds with the balance met from general unrestricted reserves. See also the explanation after Note 1 regarding the restricted fund grants during the year.

Year to 31 March 2024

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
<u>Designated funds</u>						
Fixed asset reserve	359,009	-	(53,250)	9,005	-	314,764
Sustainability reserve	100,000	-	-	-	-	100,000
Total designated funds	459,009	-	(53,250)	9,005	-	414,764
<u>General reserves</u>	186,526	1,262,640	(1,384,576)	(9,005)	-	55,585
Total unrestricted funds	645,535	1,262,640	(1,437,826)	-	-	470,349
Total funds	645,535	1,262,640	(1,437,826)	-	-	470,349

Transfers

The transfer of £9,005 between the unrestricted general reserves and the fixed asset reserve represents the additions to fixed assets less disposals in the year.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

21. Description of funds

Designated funds

Fixed asset reserve	Funds representing the net book value of fixed assets held by NTR.
Sustainability reserve	A fund representing general reserves set aside to be used for future specific expenditure connected with the maintenance of the Grade II* listed building and future sustainability works.

22. Financial instruments

	2025	2024
	Total funds	Total funds
	£	£
Financial assets		
Debt instruments measured at amortised cost:		
Trade debtors	15,599	20,195
	<u>15,599</u>	<u>20,195</u>
Financial liabilities		
Measured at amortised cost:		
Trade creditors	205,880	123,520
	<u>205,880</u>	<u>123,520</u>

23. Post balance sheet events

The trustee report explains that after the year end on 30th April 2025, there was a change in control of NTR under which KTT became the sole member and NTR began operating within a group context, sharing management and administrative processes with KTT.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 March 2025

NOTES TO THE FINANCIAL STATEMENTS

24. Previous year statement of financial activities

		Unrestricted Funds		2024	2023
	Note	General £	Designated £	Total Funds £	Total Funds £
Items arising during the year					
INCOME FROM:-					
Donations and legacies	1	113,222	-	113,222	677,727
Other trading activities	2	9,249	-	9,249	9,827
Investments	3	10,590	-	10,590	62
Charitable activities	4	1,129,579	-	1,129,579	1,027,941
Other	5	-	-	-	-
Total		1,262,640	-	1,262,640	1,715,557
EXPENDITURE ON:-					
Raising funds	6	1,083	-	1,083	-
Charitable activities	7	1,383,493	53,250	1,436,743	1,232,919
Total		1,384,576	53,250	1,437,826	1,232,919
Net income/(expenditure)		(121,936)	(53,250)	(175,186)	482,638
Gross transfers between funds	20	(9,005)	9,005	-	-
Tax on activities	10	-	-	-	-
Net movement in funds		(130,941)	(44,245)	(175,186)	482,638
RECONCILIATION OF FUNDS					
Total funds brought forward	20	186,526	459,009	645,535	162,897
Total funds carried forward	20	55,585	414,764	470,349	645,535

THE NEW THEATRE ROYAL-TRUSTEES (PORTSMOUTH) LIMITED

England & Wales - Charity number 271976

Accounts

The New Theatre Royal —
Trustees (Portsmouth) Limited

Limited by Guarantee

**Trustees' Report
and Financial Statements**

for the year ended 31 March 2024

Registered Charity Number 271976

Registered Company Number 01266053

NEW
THEATRE
ROYAL
PORTSMOUTH

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

CHAIR'S INTRODUCTION

I am pleased to report that the New Theatre Royal, Portsmouth, has had another busy year with our audience numbers continuing to build. There were countless highlights in the programme. We were one of the venues on the World Premiere tour of *"Tales from Acorn Wood"*. We hosted Les Enfants Terribles' world class production of *"The House with Chicken Legs"* which was co-produced with HOME Manchester prior to their Christmas run at London's Southbank Centre. We enjoyed the production by Say It Again, Sorry? of *"The Importance of Being Earnest?"*, a brand new interactive production inspired by Oscar Wilde's classic play following a successful run at the Edinburgh Fringe.

Our associate artists did not disappoint and produced some excellent work this year. Downtown Pompey's *"Sticky Floors and Palm Trees"* supported by New Theatre Royal, The National Lottery and The Arts Council was a brand new original piece of heritage theatre that examined the humanity, complexity and community of pubbing and clubbing in 80's Pompey. Filskit Theatre continued to produce wonderful shows for early years, including *"Kaleidoscope"* inspired by research into how a baby's sense of sight develops and how they instinctively begin to categorise colour. Produced by New Theatre Royal, Two Colours Ukrainian Choir presented an emotional, thought-provoking musical extravaganza, celebrating their heritage and highlighting the ongoing trauma the war in Ukraine has brought to their lives.

Going to the theatre is an experience and I am incredibly proud of our excellent team of staff and volunteers who generate consistently excellent feedback from our visitors who comment on the warmth and service they experience when coming to our shows. This experience would not be possible without all the work that goes on behind the scenes. The Board of Trustees has continued to support the team with difficult decisions and I want to thank them for the support they provide all year round.

The challenges of running a Grade II* listed building continue and this will become an increasing focus of the staff and Board. We are grateful for our strong working partnership with Portsmouth City Council, owners of the building, in this regard.

Finally, I would like to thank all those who buy tickets to our shows; without an audience there is no theatre. We look forward to delivering more exciting shows next year with the support of our board, staff, volunteers, stakeholders and audience.



Angela Parks

Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

CHARITY INFORMATION

REGISTERED CHARITY NAME	The New Theatre Royal - Trustees (Portsmouth) Limited
CHARITY NUMBER	271976
COMPANY REGISTRATION NUMBER	01266053
PRINCIPAL AND REGISTERED OFFICE	New Theatre Royal 20—24 Guildhall Walk Portsmouth Hampshire P01 2DD
TRUSTEES (at date of signing)	Ms Angela Parks (Chair) Ms Hannah Ashwell Ms Helena Berry (appointed 22 nd June 2024) Mrs Catherine Helena Cole (Vice Chair) Mr Christopher Gambs Mrs Sally Garner-Gibbons (appointed 21 st June 2024) Mr David Parfitt (appointed 22 nd June 2024) Ms Catherine Pearce (appointed 24 th June 2024) Mr Ian Pratt (appointed 22 July 2024) Ms Janet Rawson Mr Benjamin Roberts Mr James Tickell (appointed 1 st May 2024) Cllr Gerald Vernon-Jackson (re-appointed 27 th June 2024)
SECRETARY	None
KEY MANAGEMENT PERSONNEL (at date of signing)	Mrs Sheena Hulme (Interim CEO) Mrs Amanda Hart (Head of Finance, appointed 30 th April 2024)
AUDITOR	Blue Spire Limited Cawley Priory South Pallant Chichester P019 1SY
BANKERS	Lloyds Bank plc 38 London Road North End Portsmouth P02 OLR

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

Throughout these accounts, the term "NTR" refers, variously according to context, to the company and to the charity called "The New Theatre Royal – Trustees (Portsmouth) Limited" along with the theatre with the name "New Theatre Royal, Portsmouth", owned and managed by the company.

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of NTR for the year ended 31 March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of NTR.

REFERENCE AND ADMINISTRATIVE DETAILS

The schedule "Charity Information" on page two provides details on NTR's registered number, company number, registered office, trustees, advisers and offices.

THE TRUSTEES

Trustees who served on the Board of NTR during the year were as follows:

Ms Angela Parks (Chair)

Ms Lucy Ashton (appointed 15th February 2023, resigned 17th March 2024)

Ms Hannah Ashwell

Mrs Krystyna Butwilowska (resigned 26th March 2024)

Mrs Catherine Helena Cole

Dr Anna Farthing (appointed 18th September 2023, resigned 20th May 2024)

Mr Christopher Gambs

Mr Timothy Herman (resigned 16th May 2023)

Ms Jane Long (appointed 26th March 2023, resigned 16th July 2023)

Mr David Moore (appointed 17th February 2023, resigned 9th October 2023)

Cllr George Madgwick (appointed 29th June 2023, resigned 12th June 2024) (*)

Ms Janet Rawson

Mr Benjamin Roberts

Cllr Gerald Vernon-Jackson (resigned 29th June 2023, reappointed 27th June 2024) (*)

(*) = Portsmouth City Council (PCC) representative

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

NTR is a company limited by guarantee and is governed by its Memorandum and Articles of Association originating from 29 June 1976 as subsequently amended. It is a charity registered with the Charity Commission for England and Wales.

Appointment of trustees

Members are appointed either by nomination by Portsmouth City Council (the local authority funding body) or by nomination and election. All appointments are confirmed at the Annual General Meeting. In compliance with the Articles and Memorandum of Association, the three longest serving board members are required to be re-elected at each AGM and no member shall serve more than nine years.

Trustee induction and training

Trustee inductions include a multi-document briefing covering accounts, minutes of trustee meetings, health and safety and other policies, budget and business plan. In addition, all new members spend time with the management team, staff, Chair of the Board and Board committees, as well as being given induction guides.

Organisation

Since March 2020 Sheena Hulme has been responsible for the operational management of NTR. Given the ongoing financial pressures of the organisation, in September 2023 the Board appointed Dr Anna Farthing as NTR's new CEO with a remit to review our strategic direction, artistic programme and community partnerships.

After the March 2024 year end, further changes were made to the structure of the management team. Anna Farthing left the organisation in May 2024 and we would like to thank Anna for her valued contribution while she worked with us. Sheena Hulme was appointed interim CEO from May 2024 with Amanda Hart joining as Head of Finance at around the same time. They undertook a review of the organisation and presented a new strategic plan in September 2024.

The Annual General Meeting usually takes place in October. The Board meets formally on a two-monthly basis, with informal meetings in between as necessary.

Board members may serve on a committee or advisory panel to oversee the key areas of operation, chosen to reflect the requirements of these and the skills and expertise of the members. Committees during the period were: Finance and Risk Committee (bi-monthly meetings), Staffing and Remuneration Committee (annual) and Community and Fundraising. Appropriate staff members and co-optees may also be members of these committees and advisory panels. A skills audit has been undertaken to identify skills areas on the Board, which informs the recruitment of both new board membership and committee membership.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

To facilitate effective operations, the Chair has authority, within the terms of delegation approved by the trustees and described in the 2006 Act, to give support and oversight to those managing the day-to-day operations of NTR. Additional delegated authority includes operational activities relating to finance, recruitment and employment, business planning and development, trading, fundraising and marketing. Authority delegated to the Chair and committee members is subject to Board approval. Board members and staff are required to complete and sign a declaration of interests form and may be required not to participate in decision making where a conflict is identified.

The authority of the Chair may be delegated to the Deputy Chair, as decided by the Chair and trustees (where appropriate) where the Chair is practically unable to undertake her duties.

The Trustees thank the staff of NTR for their work in achieving the objectives and activities during the period.

Remuneration process

Personnel remuneration is reviewed on an annual basis by the management team, taking into consideration benchmarked industry averages, minimum wage increases, affordability and staff development. Remuneration policy is agreed with, and its adherence monitored by, the Finance and Risk Committee. In addition, there is a Staffing and Remuneration Committee, which agrees the salary of the management team, and reviews and agrees the proposed increases for all other staff.

Volunteers

NTR operates a busy volunteer programme and continually seeks to recruit new volunteers. Volunteers provide support to front of house, marketing (such as leaflet and poster distribution), maintenance support, archiving and historical research and recording, and assistance at community events. The trustees wish to thank all volunteers, without whom the venue could not operate.

Related parties

There are no related parties.

Risk management

The trustees are risk aware with business plans and policies informed by our risk register. The risk register is reviewed at least ten times a year and is considered at every formal board meeting. There is a regular review by the Finance & Risk Committee of financial, HR and health and safety risks.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects for which NTR is established are the encouragement of the Arts, the promotion and advancement of aesthetic education and the cultivation and improvement of public taste in drama, opera, music, ballet, painting and sculpture, cinema, literature, and the other arts.

These objectives and the activities based upon them have been agreed by reference to, and in accordance with, the Charity Commission guidance on public benefit.

In pursuit of these charitable objects for the public benefit, NTR presents performances at the New Theatre Royal and other venues within Portsmouth and the region. NTR also organises and runs a comprehensive and growing programme of educational and community workshops. These areas of activity are commensurate with the vision and objectives of the company to provide recreation, education and both individual and community benefits, social and economic.

NTR seeks to operate partnerships with other arts organisations in the region and across the UK and works closely with many local community and education organisations. There is close liaison with other local arts providers and NTR works with community groups from a diverse variety of interests and art forms. The trustees would like to thank all its partners and supporters, and their contribution to our objectives and activities.

Achievements and performance during the year

During 2023-24, NTR continued its approach, established on re-opening after the Covid lockdown, of delivering a varied programme of professional and community events, with a balance of popular entertainment, culturally stimulating shows and events intended to help the less fortunate in the local community. We focused our community activity on a particular target group - children and young people.

As shown by the key indicators summarised below, we are on the path to build activity to a level that is both financially sustainable as well as purposeful as a charity in our local area.

	2023/24	2022/23	2021/22
	£000	£000	£000
<i>Productions</i>	99	92	54
<i>Performances</i>	194	209	128
<i>Ticket Sales (for shows in year)</i>	54,665	61,200	27,040
<i>Participatory Events</i>	324	341	62
<i>Participators</i>	34,266	16,647	3,259
<i>Ticket Sales (£000)</i>	1,146	1,176	523
<i>Artistic Spend (£000)</i>	512	429	233

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

Our year included these highlights:

- a) Our pantomime collaboration with Jordan Productions continued into its fourth year, with the production of Alladin, attracting the highest level of ticket sales year on year for our pantomime.
- b) We continued to partner with Associate Artists, Downtown Pompey, Filskit Theatre and Two Colours Ukrainian Choir, as they delivered projects to their own target groups. Our involvement comprised hosting events in our theatre, assisting with outreach work and administrative support.
- c) We continued to offer subsidised tickets on most shows for 16–25-year-olds, free culture cards for refugees and young people in care, Holiday Activities with Food (HAF) workshops and access performances. We offered work placements for school, college and University students. In this respect, we have close collaboration with local authorities, Chichester and Portsmouth universities, local colleges and schools and London Studios.
- d) We saw through the final year of a two-year apprentice programme, providing one opening in marketing and another in technical services.

Fundraising standards information

Fundraising activity at NTR currently comprises:

- a) The application for and receipt of grants for core or project funds.
- b) Donations from the public through the website or in person.
- c) A Friends Membership scheme.
- d) The promotion of sponsorship opportunities associated with key projects or events.

NTR is currently creating a new fundraising strategy and policy and will be registered with the Fundraising Regulator in accordance with best practice. Fundraising activity will be managed by NTR's management team supported by a new Fundraising Committee, with the oversight of the Board.

FINANCIAL REVIEW

Principal financial matters

The statement of financial activity in these accounts shows a deficit of £175,186, including a depreciation charge of £53,250 (2023: surplus £482,638).

The reported surplus for 2022/23 was not a fair reflection of financial activity, albeit it did reflect an encouraging recovery from the Covid closure period. It included the receipt of grants totalling £581,499 relating to previous years, which were not paid at the normal release time, so the outcome was distorted from a measure of current performance as a result.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

The underlying result for 2022/23 was a deficit of almost £100,000. These results were flattered by a still-depressed cost base coming out of the Covid closure period, which was not sustainable in the longer term with the pressures it puts on a small team.

During 2023/24, additional recruitment and expansion in activity were planned, with a budgeted deficit of £200,000 for the year, which was to be funded from the delayed grant receipts. In that context, the actual deficit for the 2023-24 year of £175,186 was a slight improvement on that plan.

Principal risks

The Board has the responsibility for reviewing all risks facing the organisation and ensuring wherever possible that mitigation is in place. The Board has delegated the detailed examination of the risk register to the Finance and Risk Committee.

In the current environment, NTR continues to face a range of significant risks, notwithstanding that its finances have been transformed by the release of withheld grants.

The first principal risk is that the organisation is currently operating at a deficit and will eventually exhaust the cushion provided by the recent Arts Council grant release. It is important that we identify new funders and rebuild the confidence of existing funders in the strength of governance and the quality of the cultural programme.

The second principal risk reflects the uncertain general economic environment. Consumer spending on arts events remains a readily avoidable expenditure when pressures increase on family budgets. Fundraising for grants and donations remains difficult.

The third principal risk relates to the buildings and the fact that responsibility for maintenance will lie with NTR in the near future. To mitigate this risk, the Board is in the process of appointing a trustee with experience in this area who can assess the maintenance cost exposure in collaboration with Portsmouth City Council. They will support the management team in working with PCC to ensure that the building is maintained appropriately.

Investment powers and policy

Under the Memorandum and Articles of Association, NTR has the power to invest in any way the trustees wish in furtherance of its objectives.

Reserves policy

Reserves are to be spent (at the trustees' discretion) in furtherance of NTR's objectives. The policy is to retain sufficient free reserves that equate to approximately three to four months of overhead expenditure. The calculation of free reserves ignores the fixed asset reserve but includes the designated sustainability reserve and adds back the long-term loan that is effectively permanent funding. This would provide sufficient funds to cover management, administration and support costs and the target level is currently around £225k. The value of the free reserves as at 31 March 2024 was £305k so the target was achieved. The trustees are resolved to continue to build up free reserves as a priority objective over the next few years.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

PLANS FOR FUTURE PERIODS

We set out in the 2022-23 accounts a plan for the next two years comprising the following:

1. Establish NTR's civic role through developing new collaborative relationships with Portsmouth City Council (freeholder), University of Portsmouth (co-located) and other anchor institutions such as Royal Navy, NHS, Local Enterprise Partnership, employers, schools, colleges, community groups and the creative and cultural sector.
2. Complete a new strategy for sustainable, creative, cultural and placemaking activity, then commence implementation.
3. Enhance the management team through training, development and possible recruitment at senior levels.
4. Continue to address issues concerning NTR's governance and on diversity and inclusion raised by separate external reviews.
5. Produce and deliver against an income generation strategy to develop and diversify income for NTR.
6. Continue planning for resuming responsibility for the maintenance of the fabric of the building from 2026.

This plan remains relevant and we shall be focussing on its achievement during the coming year. In addition, we have reviewed the Board of Trustees with the objective of attracting experienced individuals from our community with theatre, listing building management and governance expertise. We are delighted to have made several new appointments since the year end.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the company, NTR, for the purposes of company law) are responsible for preparing the trustees' annual 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 income and expenditure, of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

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

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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 auditor is aware of that information.

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

The board of trustees conduct continuous monitoring of the financial and operational position based on current and projected figures.

AUDITOR

Blue Spire Limited was reappointed as auditor at the annual general meeting of the NTR.

This report has been prepared having taken advantage of the exemption for small companies in the Companies Act 2006.

Approved by the trustees on 26th November 2024 and signed on their behalf.



Angela Parks

Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the members of The New Theatre Royal — Trustees (Portsmouth) Limited

Opinion

We have audited the financial statements of The New Theatre Royal—Trustees (Portsmouth) Limited for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 charitable company's affairs as at 31 March 2024, 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 (applicable to smaller entities); 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 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 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.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 directors' report and from the requirement to prepare a strategic report.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Companies Act 2006 and the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reading minutes of meeting of those charged with governance.
- Challenging assumptions made by management in their significant accounting estimates in particular those relating to provisions.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

- Enquiry of those charged with governance around actual and potential litigation and claims.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. 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.



11 December 2024

Geoffrey Frost BSc (Hons) FCA, Senior Statutory Auditor
For and on behalf of Blue Spire Limited, Statutory Auditors
Cawley Priory, South Reliant, Chichester, West Sussex PO19 1SY

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF FINANCIAL ACTIVITIES

(INCOME AND EXPENDITURE ACCOUNT)

		2024		2023
		Unrestricted Funds		Total Funds
Note	General	Designated	Total Funds	Total Funds
	£	£	£	£
Items arising during the year				
INCOME FROM:-				
Donations and legacies	1	113,222	-	113,222
Other trading activities	2	9,249	-	9,249
Investments	3	10,590	-	10,590
Charitable activities	4	1,129,579	-	1,129,579
Other	5	-	-	-
Total		1,262,640	-	1,262,640
EXPENDITURE ON:-				
Raising funds	6	1,083	-	1,083
Charitable activities	7	1,383,493	53,250	1,436,743
Total		1,384,576	53,250	1,437,826
Net income/(expenditure)		(121,936)	(53,250)	(175,186)
Gross transfers between funds	20	(9,005)	9,005	-
Tax on activities	10	-	-	-
Net movement in funds		(130,941)	(44,245)	(175,186)
RECONCILIATION OF FUNDS				
Total funds brought forward	20	186,526	459,009	645,535
Total funds carried forward	20	55,585	414,764	645,535

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

BALANCE SHEET

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	314,764	359,009
Total fixed assets		314,764	359,009
CURRENT ASSETS			
Stock of goods for resale	14	4,258	8,904
Debtors	15	52,505	361,842
Cash at bank and in hand		848,224	579,848
Total current assets		904,987	950,594
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	16	(599,402)	(514,068)
Net current assets/(liabilities)		305,585	436,526
Total assets less current liabilities		620,349	795,535
Creditors: Amounts falling due after more than one year	18	(150,000)	(150,000)
Total assets/(liabilities)		470,349	645,535
THE FUNDS OF THE CHARITY			
Unrestricted funds			
General reserves	19-20	55,585	186,526
Designated funds	19-20	414,764	459,009
Total unrestricted funds		470,349	645,535
Total charity funds		470,349	645,535

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 21 to 33 form part of these accounts.

Approved by the trustees on 26th November 2024 and signed on their behalf.



Angela Parks
Chair

The New Theatre Royal - Trustees (Portsmouth) Limited (Company No.: 01266053)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF CASH FLOWS

	2024	2023
	£	£
Net cash flow from operating activities (see below)	266,292	345,408
Cash flow from disposal of freehold property and shares	-	-
Cash flow from investing activities		
Payments made to acquire tangible fixed assets	(9,005)	(7,301)
Interest received	10,590	62
Net cash flow from investing activities	1,585	(7,239)
Net increase/(decrease) in cash and cash equivalents	267,877	338,169
Cash and cash equivalents at 1 April 2023	576,860	238,691
Cash and cash equivalents at 31 March 2024	844,737	576,860
Reconciliation of net income to net cash flow from operating activities		
	2024	2023
	£	£
Net income for the year	(175,186)	482,638
Adjusted for:		
Interest receivable	(10,590)	(62)
Depreciation and impairment of tangible fixed assets	53,250	51,448
Decrease/(increase) in stock	4,646	(6,812)
Decrease/(increase) in debtors	309,337	(334,494)
Increase/(decrease) in creditors	84,835	152,690
	441,478	(137,230)
Net cash flow from operating activities (see above)	266,292	345,408

Analysis of changes in net debt	At 1 Apr 2023	Cash flows	Other non-cash changes	At 31 March 2024
Cash and cash equivalents				
Cash at bank and in hand	579,848	268,376	-	848,224
Bank overdraft repayable on demand	(2,988)	(499)	-	(3,487)
Total	576,860	267,877	-	844,737

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

The New Theatre Royal - Trustees (Portsmouth) Limited is an incorporated charity, limited by guarantee, incorporated in England with the company number 01266053. In the event of the NTR being wound up, the liability in respect of the guarantee is limited to £10 per member. The address of the registered office is given in the charity information page of these financial statements. The nature of the NTR's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of NTR and rounded to the nearest £.

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

Incoming resources

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

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

Investment income in the form of bank interest is recognised as the right to receive payment is established.

For legacies, entitlement is the earlier of being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified where it is not yet possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

ACCOUNTING POLICIES

constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Staff costs, support costs and governance costs

Support costs are those that assist the work of NTR but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Staff costs have been allocated between costs of raising funds, charitable activities and governance costs on the basis of time spent by staff. Support costs cannot be directly attributed to particular headings and have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated to charitable activities on the best estimate of the use of those resources.

Governance costs are costs associated with the general running of NTR as opposed to the day to day activities. Governance costs have been allocated to cost of charitable activities on the basis they form part of carrying out those activities.

Allocation of support costs and governance costs

Support costs and governance costs are allocated to the different activities within expenditure on charitable activities on the basis of the number of clients involved in each activity.

Employee benefits

When employees have rendered service to NTR, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised on the same basis as expenditure as outlined above.

NTR operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

NTR is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no corporation tax is payable on its activities.

VAT

NTR is registered for VAT and operates on a standard basis. Costs are recorded net of VAT within the SOFA.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

ACCOUNTING POLICIES

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment - 15 years
- Fixtures and fittings - 5 years
- Freehold buildings - 50 years

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Unrestricted designated funds are funds used, or set aside for use, for specific purposes at the discretion of the trustees.

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

Going concern

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

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds		2024
	General	Designated	Total Funds
	£	£	£
<u>Items relating to year under review</u>			
Donations	17,615	-	17,615
Gift aid receivable	1,486	-	1,486
Grants receivable			
Portsmouth City Council	77,000	-	77,000
Other grants	17,121	-	17,121
Total donations and legacies	113,222	-	113,222

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Donations	16,300	-	16,300
Gift aid receivable	1,428	-	1,428
Grants receivable			
Portsmouth City Council	77,000	-	77,000
Other grants	1,500	-	1,500
	96,228	-	96,228
<u>Items relating to previous years</u>			
Portsmouth City Council	77,000	-	77,000
Arts Council England	504,499	-	504,499
	581,499	-	581,499
	677,727	-	677,727

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

2. Other trading activities

	Unrestricted Funds		2024
	General	Designated	Total Funds
	£	£	£
Rental and hire income	9,249	-	9,249
	<u>9,249</u>	<u>-</u>	<u>9,249</u>

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Rental and hire income	9,827	-	9,827
	<u>9,827</u>	<u>-</u>	<u>9,827</u>

3. Investments

	Unrestricted Funds		2024
	General	Designated	Total Funds
	£	£	£
Bank interest receivable	10,590	-	10,590
	<u>10,590</u>	<u>-</u>	<u>10,590</u>

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Bank interest receivable	62	-	62
	<u>62</u>	<u>-</u>	<u>62</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

4. Charitable activities

	Unrestricted Funds		2024
	General	Designated	Total Funds
	£	£	£
Ticket income	702,232	-	702,232
Merchandise income	13,197	-	13,197
Hire of theatre	126,224	-	126,224
Other income	109,036	-	109,036
Bar and catering income	178,890	-	178,890
	<u>1,129,579</u>	<u>-</u>	<u>1,129,579</u>

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Ticket income	603,138	-	603,138
Merchandise income	4,803	-	4,803
Hire of theatre	158,623	-	158,623
Other income	86,565	-	86,565
Bar and catering income	174,812	-	174,812
	<u>1,027,941</u>	<u>-</u>	<u>1,027,941</u>

5. Other income

There were no balances in the year to 31 March 2024 and the previous year under this heading.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

6. Raising funds

	Unrestricted Funds		Total Funds
	General	Designated	
	£	£	£
Seeking donations and fundraising events	1,083	-	1,083
	<u>1,083</u>	<u>-</u>	<u>1,083</u>

	Unrestricted Funds		Total Funds
	General	Designated	
	£	£	£
Seeking donations and fundraising events	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

7. Charitable activities

	2024		2023	
	Theatre performance £	Total Funds £	Theatre performance £	Total Funds £
Artistic and outreach activity	512,573	512,573	428,624	428,624
Box office and front of house	23,479	23,479	25,268	25,268
Bar and catering costs	76,731	76,731	70,502	70,502
Marketing and advertising	72,460	72,460	57,164	57,164
Depreciation	53,250	53,250	51,448	51,448
Support costs (see note 8)	682,470	682,470	587,123	587,123
Governance costs (see note 8)	15,780	15,780	12,790	12,790
	<u>1,436,743</u>	<u>1,436,743</u>	<u>1,232,919</u>	<u>1,232,919</u>
General funds	1,383,493	1,383,493	1,181,471	1,181,471
Designated funds	53,250	53,250	51,448	51,448
	<u>1,436,743</u>	<u>1,436,743</u>	<u>1,232,919</u>	<u>1,232,919</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

9. Auditor's remuneration

	2024		Total Funds £
	Unrestricted Funds		
	General £	Designated £	
Auditor's remuneration - audit	3,750	-	3,750
Auditor's remuneration - taxation	125	-	125
	<u> </u>	<u> </u>	<u> </u>

	2023		Total Funds £
	Unrestricted Funds		
	General £	Designated £	
Auditor's remuneration - audit	3,750	-	3,750
Auditor's remuneration - taxation	125	-	125
	<u> </u>	<u> </u>	<u> </u>

10. Tax on activities

There were no balances in the year to 31 March 2024 and the previous year under this heading.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

11. Wages and salary cost

	2024	2023
	Total Funds	Total Funds
	£	£
Gross wages	408,408	318,116
Employer's national insurance costs	24,161	16,988
Employer's pension contributions	6,702	4,707
	<u>439,271</u>	<u>339,811</u>
Staff numbers:		
Average head count	<u>40</u>	<u>33</u>

There were no employees with employee benefits above £60,000 in this or the preceding year.

Pension Scheme

The charity operates a defined contribution plan for the benefit of its employees. Contributions payable to the scheme for the year under review amounted to £6,702 (2023: £4,707). At the balance sheet date, £1,703 (2023: £1,038) was payable in respect of these contributions.

12. Related party transactions

There is only one related party transaction. Ms Anna Farthing received salary and pension contributions totalling £47,024 for the period when she was a trustee. Otherwise, none of the trustees a) was remunerated or received other benefits from employment with NTR or b) was reimbursed expenses or had expenses paid on their behalf during the year under review or the comparative year.

During the year under review NTR's key management personnel received employee benefits costing £104,831 (2023: £48,297) including related employer social security contributions. In addition, travel and subsistence expenses were reimbursed at cost only where these were wholly necessary for their roles.

There were no other transactions with related parties that require disclosure in the financial statements

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

13. Fixed assets

	Freehold property £	Theatre equipment £	Fixtures & fittings £	TOTAL £
Cost				
Brought forward	-	741,130	161,077	902,207
Additions	-	-	9,005	9,005
Disposals	-	-	-	-
Carried forward	-	741,130	170,082	911,212
Depreciation				
Brought forward	-	389,702	153,496	543,198
Charge for the year	-	49,408	3,842	53,250
On disposals	-	-	-	-
Carried forward	-	439,110	157,338	596,448
Net book value carried forward	-	302,020	12,744	314,764
Net book value brought forward	-	351,428	7,581	359,009

14. Stock

	2024 £	2023 £
Bar, café and ice cream stock	4,258	8,904

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

15. Debtors

	2024	2023
	£	£
Trade debtors	20,195	20,212
Tax debtors	16,749	-
Accrued grants	-	331,499
Prepayments and accrued income	15,561	10,131
	<u>52,505</u>	<u>361,842</u>

16. Creditors: Amounts payable within one year

	2024	2023
	£	£
Trade creditors	123,520	112,787
Accruals	139,550	104,456
Hire deposits	25,988	21,184
Deferred income (see below)	295,470	260,256
Taxation and social security	9,495	11,359
Bank overdrafts	3,487	2,988
Other creditors	1,892	1,038
	<u>599,402</u>	<u>514,068</u>

	Brought forward	Released in year	Deferred in year	Carried forward
Ticket sales in advance	<u>260,256</u>	<u>(702,232)</u>	<u>737,446</u>	<u>295,470</u>

17. Contingent liability

At the balance sheet date, there are no known matters for which it would be appropriate to include a liability in these accounts or make reference to them in this note.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

18. Creditors: Amounts payable in more than one year

	2024	2023
	£	£
Loans	150,000	150,000
Analysed as payable:		
After five years	150,000	150,000

19. Analysis of net assets between funds

As at 31 March 2024

	Unrestricted funds			2023
	General	Designated	Total funds	Total funds
	£	£	£	£
Fixed assets	-	314,764	314,764	359,009
Net current assets/(liabilities)	205,585	100,000	305,585	436,526
Non-current liabilities	(150,000)	-	(150,000)	(150,000)
	55,585	414,764	470,349	645,535

As at 31 March 2023

	Unrestricted funds			2022
	General	Designated	Total funds	Total funds
	£	£	£	£
Fixed assets	-	359,009	359,009	403,156
Net current assets/(liabilities)	336,526	100,000	436,526	(90,259)
Non-current liabilities	(150,000)	-	(150,000)	(150,000)
	186,526	459,009	645,535	162,897

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

20. Analysis of movement in funds

Year to 31 March 2024

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
Designated funds						
Fixed asset reserve	359,009	-	(53,250)	9,005	-	314,764
Sustainability reserve	100,000	-	-	-	-	100,000
Capital works	-	-	-	-	-	-
Total designated funds	459,009	-	(53,250)	9,005	-	414,764
General reserves	186,526	1,262,640	(1,384,576)	(9,005)	-	55,585
Total unrestricted funds	645,535	1,262,640	(1,437,826)	-	-	470,349
Total funds	645,535	1,262,640	(1,437,826)	-	-	470,349

Transfers

The transfer of £9,005 between the unrestricted general reserves and the fixed asset reserve represents the additions to fixed assets less disposals in the year.

Year to 31 March 2023

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
Designated funds						
Fixed asset reserve	403,156	-	(51,448)	7,301	-	359,009
Sustainability reserve	-	-	-	100,000	-	100,000
Capital works	42,400	-	-	(42,400)	-	-
Total designated funds	445,556	-	(51,448)	64,901	-	459,009
General reserves	(282,659)	1,715,557	(1,181,471)	(64,901)	-	186,526
Total unrestricted funds	162,897	1,715,557	(1,232,919)	-	-	645,535
Total funds	162,897	1,715,557	(1,232,919)	-	-	645,535

Transfers

The transfer of £7,301 between the unrestricted general reserves and the fixed asset reserve represents the additions to fixed assets less disposals in the year.

The transfer of £100,000 between the unrestricted general reserves and the sustainability reserve represents the establishment of a new designated fund from the current year surplus, which will be used for future specific expenditure connected with the maintenance of our Grade II* listed building and future sustainability works.

The transfer of £42,400 from the Capital Works designated fund back to unrestricted general reserves has been made as the purpose of the fund has fallen away following the sale of the freehold of the building and there is no longer the need for the associated expenditure.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

21. Description of funds

Designated funds

Fixed asset reserve	Funds representing the net book value of fixed assets held by NTR.
Sustainability reserve	A fund representing general reserves set aside to be used for future specific expenditure connected with the maintenance of the Grade II* listed building and future sustainability works.
Capital works	Funds set aside by the trustees, in 2016-17 financial year, for the completion of the capital works to the building.

22. Financial instruments

	2024	2023
	Total funds	Total funds
	£	£
Financial assets		
Debt instruments measured at amortised cost:		
Trade debtors	20,195	20,212
	<u>20,195</u>	<u>20,212</u>
	<u><u>20,195</u></u>	<u><u>20,212</u></u>
Financial liabilities		
Measured at amortised cost:		
Trade creditors	123,520	112,787
	<u>123,520</u>	<u>112,787</u>
	<u><u>123,520</u></u>	<u><u>112,787</u></u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

23. Previous year statement of financial activities

		Unrestricted Funds		2023	2022
	Note	General	Designated	Total Funds	Total Funds
		£	£	£	£
<u>Items arising during the year</u>					
INCOME FROM:-					
Donations and legacies	1	677,727	-	677,727	78,081
Other trading activities	2	9,827	-	9,827	14,179
Investments	3	62	-	62	3
Charitable activities	4	1,027,941	-	1,027,941	546,835
Other	5	-	-	-	-
Total		<u>1,715,557</u>	<u>-</u>	<u>1,715,557</u>	<u>639,098</u>
EXPENDITURE ON:-					
Raising funds	6	-	-	-	147
Charitable activities	7	1,181,471	51,448	1,232,919	793,011
Total		<u>1,181,471</u>	<u>51,448</u>	<u>1,232,919</u>	<u>793,158</u>
Net income/(expenditure)		<u>534,086</u>	<u>(51,448)</u>	<u>482,638</u>	<u>(154,060)</u>
Gross transfers between funds	20	(64,901)	64,901	-	-
Tax on activities	10	-	-	-	-
Net movement in funds		<u>469,185</u>	<u>13,453</u>	<u>482,638</u>	<u>(154,060)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	20	<u>(282,659)</u>	<u>445,556</u>	<u>162,897</u>	<u>316,957</u>
Total funds carried forward	20	<u>186,526</u>	<u>459,009</u>	<u>645,535</u>	<u>162,897</u>

THE NEW THEATRE ROYAL-TRUSTEES (PORTSMOUTH) LIMITED

England & Wales - Charity number 271976

Accounts

The New Theatre Royal —
Trustees (Portsmouth) Limited

Limited by Guarantee

**Trustees' Report
and Financial Statements**

for the year ended 31 March 2023

Registered Charity Number 271976

Registered Company Number 01266053

NEW
THEATRE
ROYAL
PORTSMOUTH

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CHAIR'S INTRODUCTION

I am pleased to provide this, my second Chair's report, on another busy and productive year at New Theatre Royal, Portsmouth, having joined the Board and taken on the role in October 2022.

This was an excellent year artistically-speaking, with record numbers coming to our Theatre. They might have enjoyed another critically acclaimed pantomime; or seen a popular show such as the sell-out Gary Barlow or a wide range of music or drama; or as a young person they could be developing acting skills in a production managed by local universities and schools; or as an excluded or vulnerable person, they could have found comfort by participating in a community project in partnership with a local support group. I was personally wowed by the enthusiastically patriotic and upbeat performance of the Ukrainian Women's Choir that we have helped establish to provide a focus for those forced to flee their homes and find extended shelter in this foreign country.

The Theatre is though in reality part-way along a difficult but necessary journey, of which my appointment forms only one part. During 2020-21, during much of which the Theatre was forcibly closed with the Covid pandemic, our organisation was on the brink of insolvency. It was saved from going under by the intervention of the City Council and the University of Portsmouth, along with many patient ticketholders, which enabled us to start a long recovery process back to sustainability.

We have seen significant advances during this last year on the governance front and winning back the confidence of core funders. There has been a complete transformation in the Board composition, with seven trustees stepping down and the appointment of nine new ones, carefully chosen following a selection process that matched the candidates against the range of expertise that we require. We have been working hard on forming new supervisory committees, policies and procedures, which are all part of proper modern governance of a charitable organisation.

Furthermore, I am delighted to announce the appointment of Dr Anna Farthing as Chief Executive in September 2023. This is a role that had been vacant for over three years, albeit ably covered temporarily by Operations Director Sheena Hulme stepping up to the mark during a difficult period. Anna has the experience, contacts and drive to deliver the Board's vision, supported by Sheena and the remainder of the management team, which gives us the best prospect for the years ahead.

Following these changes, I am relieved that we have secured the release of the two years' core funding of £654k, which had been withheld by Arts Council England and Portsmouth City Council until they were assured about our viability and direction. Accounting practice has required us to credit all this backlog income within this year's results, giving a misleading impression of a financially successful operation. In reality, the Theatre (like most of its type without external support) continues to sustain significant deficits and moreover 2026 is fast approaching when we are required to resume responsibility for the maintenance of the building fabric. So this money should critically be seen as a one-off fund to tide us over until we can secure new sources of funding.

I am proud to pay tribute and give thanks to our staff and volunteers who have worked so hard to keep the Theatre going despite the uncertainty of the last couple of years. A lot of what they did was not publicly visible and this is especially true of Sheena Hulme who led the team through this difficult time and went far beyond what could have been expected to ensure that all staff continued to be paid during the period. I want to thank the trustees who have served during the period covered by this report including our previous Chair, Simon Eden, for his leadership and Krysia Butwilowska who has generously given her time as my deputy to help me get up to speed and recruit new trustees. I also want to thank our loyal patrons who pay to enjoy what we do and participate in our community

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CHAIR'S INTRODUCTION

activities. Finally, but not least, our principal funder and saviour, Portsmouth City Council requires full credit for its support of us and the wider arts and culture provision in our wonderful City.

I look forward to the Theatre delivering a broad range of cultural activity over the next 12 months with the support of an amazing team of staff, trustees and stakeholders.



Angela Parks, Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

THE HIGHLIGHTS

The Recent Successes

- **Transformed governance:**

- *Nine new trustees*
- *New supervisory committee structure*
- *New procedures and policies*
- *Improved financial reporting*
Recruitment of CEO, a role vacant since March 2020 (Dr Anna Farthing, September 2023)

- **Delivering what our community wants to see, generating record turnover:**

	2022/23	2021/22
	£000	£000
	<i>£000</i>	<i>£000</i>
<i>Productions</i>	92	54
<i>Performances</i>	209	128
<i>Ticket Sales</i>	61,200	27,040
<i>Participatory Events</i>	341	62
<i>Participators</i>	16,647	3,259
<i>Ticket Sales (£000)</i>	1,176	523
<i>Artistic Spend (£000)</i>	429	233

- **Promoting performing dramatic art in our local Community:**

- *Continued support of local artists*
- *Collaboration with Chichester and Portsmouth universities, local schools*
- *A True Colours Project in partnership with Downtown Pompey*
- *Hosting a young refugee project 'Brothers in a New Place' produced by Red Cross and Compass Theatre*
- *Establishing a Ukrainian Women's Choir*
- *Recruiting two apprentices*

- **Securing release of withheld core grants, £654k, to fund the next stage of development.**

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

THE HIGHLIGHTS

The Next Challenges

- **Reversing current deficits, achieving financial sustainability**
 - *Underlying deficit, in year £100,000 (reported surplus only due to grant catch-up).*
 - *Cost base in 23/24 rising by some £100k with management capacity increase.*
 - *Need to plan for becoming responsible for property maintenance in 2026.*
 - *Develop fundraising capacity and secure new grant funders.*

- **Improving our artistic reach**
 - *Develop a strategy for sustainable, creative, cultural and placemaking activity.*
 - *Developing new partnerships for placemaking, programming and participation.*

- **Maintaining an historic heritage building to modern operating standards**
 - *Appoint a trustee with property maintenance experience relevant for a Grade II* listed building.*
 - *Replace internal and external lighting with modern energy-saving LED.*
 - *Devise a rolling internal repairs and maintenance programme.*
 - *Start setting aside a sinking fund in anticipation of responsibility for entire building from 2026.*

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CHARITY INFORMATION

REGISTERED CHARITY NAME	The New Theatre Royal - Trustees (Portsmouth) Limited
CHARITY NUMBER	271976
COMPANY REGISTRATION NUMBER	01266053
PRINCIPAL AND REGISTERED OFFICE	New Theatre Royal 20—24 Guildhall Walk Portsmouth Hampshire PO1 2DD
TRUSTEES (at date of signing)	Ms Angela Parks (Chair from 25 October 2022) Mrs Krystyna Butwilowska Ms Janet Rawson (appointed 10 th February 2023) Ms Lucy Ashton (appointed 15 th February 2023) Mrs Catherine Helena Cole (appointed 5 th March 2023) Ms Hannah Ashwell (appointed 16 th March 2023) Mr Christopher Gambs (appointed 20 th March 2023) Mr Benjamin Roberts (appointed 27 th March 2023) Cllr George Madgwick (appointed 29 th June 2023) Dr Anna Farthing (appointed 18 September 2023)
SECRETARY	None
KEY MANAGEMENT PERSONNEL	Dr Anna Farthing – Chief Executive Officer (from 1 September 2023) Mrs Sheena Hulme (Operations Director)
AUDITOR	Blue Spire Limited Cawley Priory South Pallant Chichester West Sussex PO19 1SY
BANKERS	Lloyds TSB Bank plc 38 London Road North End Portsmouth Hampshire PO2 OLR

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

Throughout these accounts, the term "NTR" refers, variously according to context, to the company and to the charity called "The New Theatre Royal – Trustees (Portsmouth) Limited" along with the theatre with the name "New Theatre Royal, Portsmouth", owned and managed by the company.

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of NTR for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of NTR.

REFERENCE AND ADMINISTRATIVE DETAILS

The schedule "Charity Information" on page two provides details about NTR's registered number, company number, registered office, trustees, advisers and offices.

THE TRUSTEES

Trustees who served on the Board of NTR during the period were as follows:

Mr Simon Eden (Chair until 25 October 2022, resigned 26 October 2022)
Ms Angela Parks (Chair from 25 October 2022)
Mrs Krystyna Butwilowska
Mr Timothy Herman (resigned 16th May 2023)
Dr Catherine McNamara (resigned 14th December 2022)
Mrs Claire Ward (resigned 14th December 2022)
Mrs Susan Aistrope (resigned 14th December 2022)
Ms Louise Wilders (resigned 22 September 2022)
Mr William Purvis (resigned 27 June 2022)
Cllr Gerald Veron Jackson (appointed 27th June 2022 – resigned 29th June 2023) (*)
Ms Janet Rawson (appointed 10th February 2023)
Ms Lucy Ashton (appointed 15th February 2023)
Mr David Moore (appointed 17th February 2023, resigned 9th October 2023)
Mrs Catherine Helena Cole (appointed 5th March 2023)
Ms Hannah Ashwell (appointed 16th March 2023)
Mr Christopher Gambs (appointed 20th March 2023)
Ms Jane Long (appointed 26th March 2023 – resigned 16th July 2023)
Mr Benjamin Roberts (appointed 27th March 2023)
Cllr George Madgwick (appointed 29th June 20) (*)

(*) = Portsmouth City Council representative

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

NTR is a company limited by guarantee and is governed by its Memorandum and Articles of Association originating from 29 June 1976 and subsequently revised. It is a charity registered with the Charity Commission for England and Wales.

Appointment of trustees

Members are appointed either by nomination by Portsmouth City Council (local authority funding body) or by nomination and election. All appointments are confirmed at the Annual General Meeting. In compliance with the Articles and Memorandum of Association, the three longest serving board members are required to be re-elected at each AGM and no member shall serve longer than nine years.

Trustee induction and training

Trustee inductions include a multi-document briefing including accounts, minutes, health and safety and other policies, budget and business plan. All new members are invited to meet the Chair. New board members are given induction guides.

Organisation

Since March 2020 and for the year under review and until the appointment of Dr Anna Farthing as Chief Executive Officer in September 2023, the Operations Director (Sheena Hulme) was responsible for the everyday running of NTR.

The Annual General Meeting takes place in October. The Board meets formally on a two-monthly basis with informal meetings in between.

Board members may serve on a sub-committee or advisory panel to progress key areas of operation and development, chosen to reflect the requirements of these and the skills and expertise of the members. Sub-committees during the period were: Finance and Risk Committee (monthly meetings) and a Strategic Working Group (meetings as required).

Appropriate staff members and co-optees also serve these committees and advisory panels. A skills audit is undertaken to identify skills areas on the Board, which advises both the recruitment of new board members and sub-committee membership.

To facilitate effective operations, the Chair has authority, within the terms of delegation approved by the trustees and described in the 2006 Act, to give support and oversight to those managing the day-to-day operations of NTR. Additional delegated authority includes operational activities relating to finance, recruitment and employment, business planning and development, trading, fundraising and marketing. Authority delegated to the Chair and sub-committee members is subject to Board approval. Board members and staff are required to complete a declaration of interests and may be required to be exempt from decisions where a conflict is identified.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

The authority of the Chair may be delegated to the Deputy Chair, as decided by the Chair and trustees (where appropriate) where the Chair is practically unable to undertake her duties.

The Trustees thank the staff of NTR for their work in achieving the objectives and activities during the period.

Remuneration process

Personnel remuneration is reviewed on an annual basis by the Operations Director, taking into consideration benchmarked industry averages; minimum wage increases; affordability; and staff development. Remuneration policy is agreed with, and its adherence monitored by, the Finance and Risk Committee. In addition, there is a Staffing and Remuneration Committee, which agrees the salary of the CEO and the Operators Director.

Volunteers

NTR operates a busy volunteer programme and continually seeks to recruit new volunteers. Volunteers provide front of house services for performances and events; marketing support such as leaflet and poster distribution; maintenance support; archiving and historical research and recording; financial records and report preparation; and assistance at community events. The trustees wish to thank all volunteers, without whom the venue could not operate.

Related parties

There are no related parties.

Risk management

The trustees are risk aware with business plans and policies informed by our risk register. The risk register is reviewed at least ten times a year and is considered at every formal board meeting. There is a regular review by the Finance & Risk Committee of financial, HR and health and safety risks.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects for which NTR is established are the encouragement of the Arts, the promotion and advancement of aesthetic education and the cultivation and improvement of public taste in drama, opera, music, ballet, painting and sculpture, cinema, literature, and the other arts.

These objectives and the activities based upon them have been agreed by reference to, and in accordance with, the Charity Commission guidance on public benefit.

In pursuit of these charitable objects for the public benefit, NTR presents performances at the New Theatre Royal and other venues within Portsmouth and the region. NTR also organises and runs a comprehensive and growing programme of educational and community workshops. These areas of activity are commensurate with the vision and objectives of the company to provide recreation, education and both individual and community benefits, social and economic.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

NTR seeks to operate partnerships with other arts organisations in the region and across the UK and works closely with many local community and education organisations. There is close liaison with other local arts providers and NTR works with community groups from a diverse variety of interests and art forms. The trustees would like to thank all its partners and supporters, and their contribution to our objectives and activities.

Achievements and performance during the year

During the year 22/23 NTR delighted crowds of visitors with an eclectic programme of professional and community events boasting the highest sales turnover in the box office this century. Our programme included these highlights:

- a) Continued to build on our family pantomime success by playing to record breaking audience numbers.
- b) We continued our positive collaboration with our Associate Artist, Downtown Pompey, to deliver a project focused on a project telling the stories of queer young people.
- c) We continued our positive calibration with our Associate Artist, Filskit delivering a series of Wonder Gigs for babies and toddlers.
- d) We set up a Ukrainian Women's Choir in collaboration with Havant Borough Council.
- e) We achieved a strong level of diversity across our programme, including True Colours, My Place, Wearing Mums Make Up, Chichester University, Journeys International Festival and performances and tours for local children and young people.
- f) We hosted a young refugee project 'Brothers in a New Place' in collaboration with Red Cross and Compass Theatre.
- g) We offered £10 tickets on most shows for 16–25-year-olds, free culture cards for refugees and young people in care, Holiday Activities with Food (HAF) workshops and access performances.
- h) We saw through the first year of a two-year apprentice programme, providing one opening in marketing and the another in technical.
- i) We sold out within 20 minutes a five-day run of Gary Barlow's stage show 'A Different Stage'.

In 2022/3 we decided to focus our community activity on one target group - children and young people - which was achieved largely through informal relationships with hire and further education institutions, schools, youth groups and facilitated HAF activities in the holidays.

Relationships with key partners

The relationship with Portsmouth City Council remains strong and supportive during these difficult years. The 20/21 accounts explained how PCC agreed to a sale and leaseback agreement for the theatre building. This released £700k to enable NTR to settle its pressing debts, continue

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

operating and avoid insolvent liquidation. PCC continues to engage closely with us in various ways, now also as our landlord, and the trustees are sincerely grateful for all the support shown.

Fundraising standards information

Fundraising activity at NTR currently comprises:

- a) The application for and receipt of grants for core or project funds.
- b) Donations from the public through the website or in person.
- c) A Friends Membership scheme.
- d) The promotion of sponsorship opportunities associated with key projects or events.

The University of Chichester's fundraising undergraduates also support NTR through volunteering activity including the production of funding bids and donate ticket sale revenue from students shows in the venue.

NTR is currently creating a new fundraising strategy and policy and will be registered with the Fundraising Regulator in accordance with best practice. Fundraising activity managed by the Operations Director and Chief Executive with the oversight of the Board.

FINANCIAL REVIEW

Principal financial matters

The statement of financial activity in these accounts shows a surplus of £482,638 including a depreciation charge of £51,448 (2022: deficit £154,060).

The results for 2021/22 (as for 2020/21) were unusual, reflecting limited activity and most income being derived from various support grants and fundraising donations, with costs being held to the lowest possible levels during the lockdown period.

This scale of surplus for 2022/23 is misleading as a measure of current financial activity. It includes the receipt of grants totalling £581,499 relating to previous years, which were withheld at the normal release time.

The underlying result was a deficit of almost £100,000, which is a fairer reflection of the underlying operation without the support of NPO core funding. Even then, the year's results were flattered by a still-depressed cost base, which is not sustainable in the longer term with the pressures it puts on a small team and since the year end, additional recruitment and expansion, including a new CEO, will bring in higher costs by around £100,000 each year.

2022/23 was the first full year since Covid that was not affected by lockdown and restricted operation. For around a year since re-opening in Summer 2021, NTR worked through a backlog of rescheduled shows for which tickets had generally been sold before lockdown. At the same time, we were able to create an expanded programme of new shows that were performed during this year. Our loyal customer base has not let us down: ticket sales quickly returned to and exceeded pre-pandemic levels.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

Principal risks

The Board has the responsibility for reviewing all risks facing the organisation and ensuring wherever possible that mitigation is in place. The Board has delegated the detailed examination of the risk register to the Finance and Risk Committee.

In the current environment, NTR continues to face a range of significant risks, notwithstanding that its finances have been transformed by the release of withheld grants.

We consider that the first overarching risk relates to the need to find a sustainable strategy that addresses the removal of future NPO funding, mainly through widening the sources of project funding. The organisation is currently operating at a deficit and will eventually exhaust the cushion provided by recent grant release. It is important that we identify new funders and rebuild the confidence of existing funders in the strength of governance and quality of the cultural programme.

The second principal risk is the poor general economic environment with uncertain prospects of a full recovery. Consumer spending on arts events remains a readily avoidable expenditure when pressures increase on family budgets.

The third principal risk relates to the buildings and the fact that responsibility for maintenance will lie with NTR in the near future. To mitigate this risk the Board is in the process of appointing a trustee with experience in this area who can assess the maintenance cost exposure in collaboration with Portsmouth City Council. They will then be asked to work with PCC to ensure that the compliance of the maintenance regime up to the hand over date of reach an agreement on payment of any outstanding works.

Investment powers and policy

Under the Memorandum and Articles of Association, NTR has the power to invest in any way the trustees wish in furtherance of its objectives.

Reserves policy

Reserves are to be spent (at the trustees' discretion) in furtherance of NTR's objectives. Its policy is to aim to develop unrestricted funds, which are its free reserves, at a level that equates to approximately four months unrestricted overhead expenditure. This would provide sufficient funds to cover management, administration and support costs. The target level for such funds is around £130k. The receipt of the temporarily withheld core ACE grants and its impact on the reported surplus has assisted considerably towards achieving this objective with this year-end having unrestricted reserves of £186k, even though a large proportion of the surplus has been set aside as a designated fund. The trustees are resolved to continue to build up free reserves as a priority objective over the next few years.

PLANS FOR FUTURE PERIODS

The plans for the next two years comprise the following:

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

- a) Establish NTR's civic role through developing new collaborative relationships with Portsmouth City Council (freeholder), University of Portsmouth (co-located) and other anchor institutions such as Royal Navy, NHS, Local Enterprise Partnership, employers, schools, colleges, community groups and the creative and cultural sector.
- b) Commission a new strategy for sustainable, creative, cultural and placemaking activity.
- c) Enhance the management team through training, development and possible recruitment at senior levels.
- d) Continue to address issues concerning NTR's governance and on diversity and inclusion raised by separate external reviews.
- e) Produce and deliver against an income generation strategy to develop and diversify income for NTR.
- f) Continue planning for resuming responsibility for the maintenance of the fabric of the building from 2026.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the company, NTR, for the purposes of company law) are responsible for preparing the trustees' annual 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' REPORT

- 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 auditor is aware of that information.

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

The board of trustees conduct continuous monitoring of the financial and operational position based on current and projected figures.

AUDITOR

Blue Spire Limited was reappointed as auditors at the annual general meeting of the NTR.

This report has been prepared having taken advantage of the exemption for small companies in the Companies Act 2006.

Approved by the trustees on 28 November 2023 and signed on their behalf.



Angela Parks

Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITORS' REPORT

Independent Auditor's Report to the members of The New Theatre Royal — Trustees (Portsmouth) Limited

Opinion

We have audited the financial statements of The New Theatre Royal—Trustees (Portsmouth) Limited for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 charitable company's affairs as at 31 March 2023, and of its incoming resources
- and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); 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 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 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.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITORS' REPORT

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 directors' report and from the requirement to prepare a strategic report.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITORS' REPORT

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Companies Act 2006 and the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reading minutes of meeting of those charged with governance.
- Challenging assumptions made by management in their significant accounting estimates in particular those relating to provisions.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITORS' REPORT

- Enquiry of those charged with governance around actual and potential litigation and claims.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. 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.



19 December 2023

Geoffrey Frost BSc (Hons) FCA, Senior Statutory Auditor
For and on behalf of Blue Spire Limited, Statutory Auditors
Cawley Priory, South Reliant, Chichester, West Sussex PO19 1SY

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF FINANCIAL ACTIVITIES

(INCOME AND EXPENDITURE ACCOUNT)

		Unrestricted Funds		2023	2022
	Note	General	Designated	Total Funds	Total Funds
		£	£	£	£
Items arising during the year					
INCOME FROM:-					
Donations and legacies	1	677,727	-	677,727	78,081
Other trading activities	2	9,827	-	9,827	14,179
Investments	3	62	-	62	3
Charitable activities	4	1,027,941	-	1,027,941	546,835
Other	5	-	-	-	-
Total		1,715,557	-	1,715,557	639,098
EXPENDITURE ON:-					
Raising funds	6	-	-	-	147
Charitable activities	7	1,181,471	51,448	1,232,919	793,011
Total		1,181,471	51,448	1,232,919	793,158
Net income/(expenditure)		534,086	(51,448)	482,638	(154,060)
Gross transfers between funds	21	(64,901)	64,901	-	-
Tax on activities	10	-	-	-	-
Net movement in funds		469,185	13,453	482,638	(154,060)
RECONCILIATION OF FUNDS					
Total funds brought forward		(282,659)	445,556	162,897	316,957
Total funds carried forward		186,526	459,009	645,535	162,897

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

BALANCE SHEET

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	359,009	403,156
Total fixed assets		359,009	403,156
CURRENT ASSETS			
Stock of goods for resale	14	8,904	2,092
Debtors	15	361,842	27,348
Cash at bank and in hand		579,848	239,786
Total current assets		950,594	269,226
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	16	(514,068)	(359,485)
Net current assets/(liabilities)		436,526	(90,259)
Total assets less current liabilities		795,535	312,897
Creditors: Amounts falling due after more than one year	17	(150,000)	(150,000)
Total assets/(liabilities)		645,535	162,897
THE FUNDS OF THE CHARITY			
Unrestricted funds			
General reserves	20, 21	186,526	(282,659)
Designated funds	20, 21	459,009	445,556
Total unrestricted funds		645,535	162,897
Total charity funds		645,535	162,897

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 25 to 39 form part of these accounts.

Approved by the trustees on 28 November 2023 and signed on their behalf.



Angela Parks
Chair

The New Theatre Royal - Trustees (Portsmouth) Limited (Company No.: 01266053)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF CASH FLOWS

	2023	2022
	£	£
Net cash flow from operating activities (see below)	345,408	(450,027)
Cash flow from disposal of freehold property and shares	-	700,000
Cash flow from investing activities		
Payments made to acquire tangible fixed assets	(7,301)	(8,306)
Interest received	62	3
Net cash flow from investing activities	(7,239)	(8,303)
Net increase/(decrease) in cash and cash equivalents	338,169	241,670
Cash and cash equivalents at 1 April 2022	238,691	(2,979)
Cash and cash equivalents at 31 March 2023	576,860	238,691
Reconciliation of net income to net cash flow from operating activities		
	2023	2022
	£	£
Net income for the year	482,638	(154,060)
Adjusted for:		
Interest receivable	(62)	(3)
Depreciation and impairment of tangible fixed assets	51,448	49,989
Decrease/(increase) in stock	(6,812)	408
Decrease/(increase) in debtors	(334,494)	59,834
Increase/(decrease) in creditors	152,690	(406,195)
	(137,230)	(295,967)
Net cash flow from operating activities (see above)	345,408	(450,027)

Analysis of changes in net debt	At 1 Apr 2022	Cash flows	Other non-cash changes	At 31 March 2023
Cash and cash equivalents				
Cash at bank and in hand	239,786	340,062	-	579,848
Bank overdraft repayable on demand	(1,095)	(1,893)	-	(2,988)
Total	238,691	338,169	-	576,860

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

The New Theatre Royal - Trustees (Portsmouth) Limited is an incorporated charity, limited by guarantee, incorporated in England with the company number 01266053. In the event of the NTR being wound up, the liability in respect of the guarantee is limited to £10 per member. The address of the registered office is given in the charity information page of these financial statements. The nature of the NTR's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of NTR and rounded to the nearest £.

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

Subsidiary undertakings

In previous years, NTR had a wholly owned subsidiary undertaking, NTR Trading Limited, a company, limited by shares, incorporated in England with the company number 2911289. The results of NTR Trading Limited were not consolidated into these accounts on the basis it was dormant and is therefore not significant to the group. NTR Trading Limited was exempt from the requirements of Companies Act 2006 relating to the audit of its individual accounts by virtue of section 477.

On 15 February 2022, the subsidiary was dissolved. There was no profit or loss during the two years reported upon in these accounts.

Incoming resources

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

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

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES

Investment income in the form of bank interest is recognised as the right to receive payment is established.

For legacies, entitlement is the earlier of being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified where it is not yet possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Resources expended

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

Staff costs, support costs and governance costs

Support costs are those that assist the work of NTR but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Staff costs have been allocated between costs of raising funds, charitable activities and governance costs on the basis of time spent by staff. Support costs cannot be directly attributed to particular headings and have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated to charitable activities on the best estimate of the use of those resources.

Governance costs are costs associated with the general running of NTR as opposed to the day to day activities. Governance costs have been allocated to cost of charitable activities on the basis they form part of carrying out those activities.

Allocation of support costs and governance costs

Support costs and governance costs are allocated to the different activities within expenditure on charitable activities on the basis of the number of clients involved in each activity.

Employee benefits

When employees have rendered service to NTR, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised on the same basis as expenditure as outlined above.

NTR operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

NTR is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no income tax is payable on its activities.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES

VAT

NTR is registered for VAT and operates on a standard basis. Costs are recorded net of VAT within the SOFA.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment - 15 years
- Fixtures and fittings - 5 years
- Freehold buildings - 50 years

Investments

Until it was dissolved in February 2022, fixed asset investments comprised the entire share capital of the subsidiary trading company, NTR Trading Limited. The investment is valued at cost on the basis there is no available fair value for the share capital.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES

Fund accounting

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Designated funds

Unrestricted designated funds are funds used, or set aside for use, for specific purposes at the discretion of the trustees.

Unrestricted funds

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

Going concern

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

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
<u>Items relating to year under review</u>			
Donations	16,300	-	16,300
Gift aid receivable	1,428	-	1,428
Grants receivable	-	-	-
Portsmouth City Council	77,000	-	77,000
Arts Council England	-	-	-
Other grants	1,500	-	1,500
	96,228	-	96,228
<u>Items relating to previous years</u>			
Portsmouth City Council	77,000	-	77,000
Arts Council England	504,499	-	504,499
	581,499	-	581,499
Total donations and legacies	677,727	-	677,727

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Donations	23,736	-	23,736
Gift aid receivable	3,393	-	3,393
Grants receivable	-	-	-
Portsmouth City Council	-	-	-
Arts Council England	-	-	-
CJRS & other Covid-19 grants	41,888	-	41,888
Other grants	9,064	-	9,064
	78,081	-	78,081

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

2. Other trading activities

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Rental and hire income	9,827	-	9,827
	<u>9,827</u>	<u>-</u>	<u>9,827</u>

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Rental and hire income	14,179	-	14,179
	<u>14,179</u>	<u>-</u>	<u>14,179</u>

3. Investments

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Bank interest receivable	62	-	62
	<u>62</u>	<u>-</u>	<u>62</u>

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Bank interest receivable	3	-	3
	<u>3</u>	<u>-</u>	<u>3</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

4. Charitable activities

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Ticket income	603,138	-	603,138
Project income	-	-	-
Merchandise income	4,803	-	4,803
Hire of theatre	158,623	-	158,623
Other income	86,565	-	86,565
Bar and catering income	174,812	-	174,812
	<u>1,027,941</u>	<u>-</u>	<u>1,027,941</u>

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Ticket income	308,878	-	308,878
Project income	6,957	-	6,957
Merchandise income	5,363	-	5,363
Hire of theatre	99,960	-	99,960
Other income	41,738	-	41,738
Bar and catering income	83,939	-	83,939
	<u>546,835</u>	<u>-</u>	<u>546,835</u>

5. Other income

There were no balances in the year to 31 March 2023 and the previous year under this heading.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

8. Support and governance costs

	2023			
	Fundraising costs	Charitable activities	Governance	Total Funds
	£	£	£	£
Staff payroll costs	-	339,811	-	339,811
Staff related costs	-	4,122	-	4,122
Premises	-	160,896	-	160,896
Communications and IT	-	13,803	-	13,803
Legal and professional	-	36,435	-	36,435
Advertising and printing	-	264	-	264
Accountancy	-	-	11,715	11,715
Audit fees - current year	-	-	1,075	1,075
Finance charges	-	31,792	-	31,792
	-	587,123	12,790	599,913
Unrestricted general funds	-	587,123	12,790	599,913
	-	587,123	12,790	599,913
				2022
	Fundraising costs	Charitable activities	Governance	Total Funds
	£	£	£	£
Staff payroll costs	-	239,574	-	239,574
Staff related costs	-	1,738	-	1,738
Premises	-	119,643	-	119,643
Communications and IT	-	14,895	-	14,895
Legal and professional	-	12,886	-	12,886
Advertising and printing	-	952	-	952
Accountancy	-	-	8,105	8,105
Audit fees - current year	-	-	2,529	2,529
Finance charges	-	16,194	-	16,194
	-	405,882	10,634	416,516
Unrestricted general funds	-	405,882	10,634	416,516
	-	405,882	10,634	416,516

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

9. Auditor's remuneration

	Unrestricted Funds		2023
	General	Designated	Total Funds
	£	£	£
Auditors remuneration - audit	<u>3,750</u>	<u>-</u>	<u>3,750</u>

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Auditors remuneration - audit	<u>2,529</u>	<u>-</u>	<u>2,529</u>

10. Tax on activities

There were no balances in the year to 31 March 2023 and the previous year under this heading.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

11. Wages and salary cost

	2023	2022
	Total Funds	Total Funds
	£	£
Gross wages	318,116	225,209
Employer's national insurance costs	16,988	11,266
Employer's pension contributions	4,707	3,099
	<u>339,811</u>	<u>239,574</u>
Staff numbers:		
Average head count	<u>33</u>	<u>22</u>

There were no employees with employee benefits above £60,000 in this or the preceding year.

Pension Scheme

The charity operates a defined contribution plan for the benefit of its employees. Contributions payable to the scheme for the year under review amounted to £4,707 (2022: £3,099). At the balance sheet date, £1,038 (2022: £768) was payable in respect of these contributions.

12. Related party transactions

There are no related party transactions.

None of the trustees a) was remunerated or received other benefits from employment with NTR or b) was reimbursed expenses or had expenses paid on their behalf during the year under review or the comparative year.

During the year under review NTR's key management personnel received employee benefits totalling £43,470 (2021: £41,356). In addition, travel and subsistence expenses were reimbursed at cost only where these were wholly necessary for their roles.

There were no other transactions with related parties that require disclosure in the financial statements

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

13. Fixed assets

	Freehold property £	Theatre equipment £	Fixtures & fittings £	TOTAL £
Cost				
Brought forward	-	741,130	153,776	894,906
Additions	-	-	7,301	7,301
Disposals	-	-	-	-
Carried forward	-	741,130	161,077	902,207
Depreciation				
Brought forward	-	340,293	151,457	491,750
Charge for the year	-	49,409	2,039	51,448
On disposals	-	-	-	-
Carried forward	-	389,702	153,496	543,198
Net book value carried forward	-	351,428	7,581	359,009
Net book value brought forward	-	400,837	2,319	403,156

14. Stock

	2023 £	2022 £
Bar, café and ice cream stock	8,904	2,092

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

15. Debtors

	2023	2022
	£	£
Trade debtors	20,212	11,568
Tax debtors	-	2,926
Accrued grants	331,499	-
Prepayments and accrued income	10,131	12,854
	361,842	27,348

16. Creditors: Amounts payable within one year

	2023	2022
	£	£
Trade creditors	112,787	63,101
Accruals	104,456	36,845
Hire deposits	21,184	26,735
Deferred income (see below)	260,256	224,769
Taxation and social security	11,359	6,172
Bank overdrafts	2,988	1,095
Other creditors	1,038	768
	514,068	359,485

	Brought forward	Released in year	Deferred in year	Carried forward
Ticket sales in advance	224,769	(603,138)	638,625	260,256

17. Contingent liability

At the balance sheet date, there are no known matters for which it would be appropriate to include a liability in these accounts or make reference to them in this note.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

18. Creditors: Amounts payable in more than one year

	Brought forward	Released in year	Deferred in year	Carried forward
Ticket sales in advance	224,769	(603,138)	638,625	260,256

19. Post balance sheet events and matters relevant to going concern

Previous accounts for 2020/21 and 2021/22 explained the financial difficulties facing NTR as a result of the Covid closures exacerbated by the decision by Arts Council England to withhold two years' worth of core NPO funding until certain conditions have been met. The accounts for 2020/21 were qualified on the grounds of uncertainty whether the organisation was a going concern.

At the time of signing last year's accounts, ACE had agreed to release 50% of the funds withheld, with the balance being released when the final requirement, essentially the recruitment of new trustees to bolster the board's strength, had been achieved.

During January 2023, ACE released the first 50% of withheld grant and this forms part of the year end cash balance. In April 2023, after the year end, the second 50% was released. Both instalments have been included in these accounts as income, with the second instalment forming part of accrued income within the debtors category in the balance sheet.

Similarly, Portsmouth City Council had withheld two years' worth of core funding of £77k per year, which it agreed to release simultaneously with ACE. Both years' grants are included as revenue in these accounts with one year being received before the year end and one included in debtors.

The decision by ACE to release the first instalment meant it was appropriate that the going concern basis be applied in the preparation of the 21/22 accounts. The organisation continues to have sufficient funds to operate satisfactorily for the next twelve months and the basis continues to be applicable at the date of signing these accounts.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

20. Analysis of net assets between funds

As at 31 March 2023

	Unrestricted funds			2022
	General	Designated	Total funds £	Total funds £
Fixed assets	-	359,009	359,009	403,156
Net current assets/(liabilities)	336,526	100,000	436,526	(90,259)
Non-current liabilities	(150,000)	-	(150,000)	(150,000)
	186,526	459,009	645,535	162,897

As at 31 March 2022

	Unrestricted funds			2021
	General	Designated	Total funds £	Total funds £
Fixed assets	-	403,156	403,156	1,144,841
Net current assets/(liabilities)	(132,659)	42,400	(90,259)	(677,884)
Non-current liabilities	(150,000)	-	(150,000)	(150,000)
	(282,659)	445,556	162,897	316,957

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

21. Analysis of movement in funds

	Year to 31 March 2023					
	Total funds brought forward	Total incoming resources	Total resources expended	Transfers between funds	Tax on activities	Total funds carried forward
	£	£	£	£	£	£
Unrestricted funds						
Designated funds						
Fixed asset reserve	403,156	-	(51,448)	7,301	-	359,009
Sustainability reserve		-	-	100,000	-	100,000
Capital works	42,400	-	-	(42,400)	-	-
Total designated funds	445,556	-	(51,448)	64,901	-	459,009
General reserves	(282,659)	1,715,557	(1,181,471)	(64,901)	-	186,526
Total unrestricted funds	162,897	1,715,557	(1,232,919)	-	-	645,535
Total funds	162,897	1,715,557	(1,232,919)	-	-	645,535

Transfers

The transfer of £100,000 between the unrestricted general reserves and the sustainability reserve represents the establishment of a new designated fund from the current year surplus, which will be used for future specific expenditure connected with the maintenance of our Grade II* listed building and future sustainability works.

The transfer of £42,400 from the Capital Works designated fund back to unrestricted general reserves has been made as the purpose of the fund has fallen away following the sale of the freehold of the building and there is no longer the need for the associated expenditure.

The transfer of £7,301 between the unrestricted general reserves and the fixed asset reserve represents the additions to fixed assets less disposals in the year.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

Year to 31 March 2022

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
Designated funds						
Fixed asset reserve	1,144,840	-	(49,989)	(691,695)	-	403,156
Capital works	42,400	-	-	-	-	42,400
Total designated funds	1,187,240	-	(49,989)	(691,695)	-	445,556
General reserves	(870,283)	639,098	(743,169)	691,695	-	(282,659)
Total unrestricted funds	316,957	639,098	(793,158)	-	-	162,897
Total funds	316,957	639,098	(793,158)	-	-	162,897

Transfers

The amount of £691,695 transferred from the fixed asset reserve to the unrestricted general reserves derives from the sale of the freehold property

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

22. Description of funds

Designated funds

Fixed asset reserve	Funds representing the net book value of fixed assets held by NTR.
Sustainability reserve	A fund representing general reserves set aside to be used for future specific expenditure connected with the maintenance of the Grade II* listed building and future sustainability works.
Capital works	Funds set aside by the trustees, in 2016-17 financial year, for the completion of the capital works to the building.

23. Financial instruments

	2023	2022
	Total funds	Total funds
	£	£
Financial assets		
Debt instruments measured at amortised cost:		
Share capital investment in NTR Trading Limited	-	-
Trade debtors	20,212	11,568
	<u>20,212</u>	<u>11,568</u>
Financial liabilities		
Measured at amortised cost:		
Trade creditors	112,787	63,101
	<u>112,787</u>	<u>63,101</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS

24. Previous year statement of financial activities

		Unrestricted Funds		2022	2021
	Note	General	Designated	Total Funds	Total Funds
		£	£	£	£
INCOME AND ENDOWMENTS FROM:-					
Donations and legacies	1	78,081	-	78,081	213,736
Other trading activities	2	14,179	-	14,179	9,333
Investments	3	3	-	3	7
Charitable activities	4	546,835	-	546,835	(1,121)
Other	5			-	-
Total		639,098	-	639,098	221,955
EXPENDITURE ON:-					
Raising funds	6	147	-	147	435
Charitable activities	7	743,022	49,989	793,011	322,008
Total		743,169	49,989	793,158	322,443
Net income/(expenditure)		(104,071)	(49,989)	(154,060)	(100,488)
Gross transfers between funds	21	691,695	(691,695)	-	-
Tax on activities	10	-	-	-	(347)
Net movement in funds		587,624	(741,684)	(154,060)	(100,835)
RECONCILIATION OF FUNDS					
Total funds brought forward		(870,283)	1,187,240	316,957	417,792
Total funds carried forward		(282,659)	445,556	162,897	316,957

THE NEW THEATRE ROYAL-TRUSTEES (PORTSMOUTH) LIMITED

England & Wales - Charity number 271976

Accounts

The New Theatre Royal —
Trustees (Portsmouth) Limited

Limited by Guarantee

**Trustees' Report
and Financial Statements**

for the year ended 31 March 2022

Registered Charity Number 271976
Registered Company Number 01266053

NEW
THEATRE
ROYAL
PORTSMOUTH

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

CHAIR'S REPORT

Having joined the Board as Chair in November 2022, I would like to thank the team of trustees, staff and volunteers who have delivered the activity covered by this report for all their hard work.

The Board's role during the past two years was especially significant, as the world has coped with the Covid-19 pandemic. It has been a challenging time for the culture sector and New Theatre Royal has not been without its share of difficult and very tough periods. It should be noted that it did not reopen to the public fully until September 2021 and thereafter was hit again with the Covid-19 omicron variant, which caused disruption over December 2021 when we staged our first pantomime in decades. During this time the trustees, under the leadership of Simon Eden as former Chair, put in huge amounts of work to negotiate with funders and creditors and start the journey to overhaul governance. This work has positioned NTR for its current and future success and I want to pay tribute to their efforts.

Our staff have been a huge asset during this time of such uncertainty, responding with professionalism and successfully delivering a varied programme of events despite the challenges. As we emerged from the national lockdown, we focused on providing opportunities for children and young people and we were delighted to offer two apprenticeships as part of our strategy. Our community programme bounced back, and we have enjoyed engaging with our communities as part of this series of events. We wanted to reach a wider audience and I am delighted at the new events that our staff created and programmed including Wearing Mums Make Up, Horrible Histories and Little Shop of Horrors.

I would also like to thank our ticket holders for their patience and generosity when we were forced to close. Many of them converted their purchases to donations, supported our crowdfunding and then bought tickets in larger numbers than ever before.

We would not have weathered the storm without the support from Portsmouth City Council which arranged a sale and leaseback of the Theatre. The Council's support for arts and culture in the city is essential to making Portsmouth a great place to live. Councils are under huge financial pressure, so Portsmouth City Council's support is recognised and massively appreciated.

I look forward to an exciting new chapter as Chair of Trustees at New Theatre Royal. The challenges of the last few years have given us solid foundations for the future and we are currently working towards a new strategy that will deliver even more over the next few years. It is a wonderful time to embrace a new era for this iconic Portsmouth venue delivering popular and artistically challenging shows in the heart of Pompey. We are expanding our community work, supporting delivery of the Arts Council's strategy, which gives everyone access to a remarkable range of high-quality cultural experiences, and continuing to programme events that people want to see.

I hope to see you at one of our excellent events during the coming year.



Angela Parks
Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

CHARITY INFORMATION

REGISTERED CHARITY NAME	The New Theatre Royal - Trustees (Portsmouth) Limited
CHARITY NUMBER	271976
COMPANY REGISTRATION NUMBER	01266053
PRINCIPAL AND REGISTERED OFFICE	New Theatre Royal 20—24 Guildhall Walk Portsmouth Hampshire P01 2DD
TRUSTEES (at date of signing)	Angela Parks (Chair from 25 October 2022) Ms Susan Aistrope Mrs Krystyna Butwilowska Mr Timothy Herman Dr Catherine McNamara Mr Robert Vernon-Jackson (appointed 27 June 2022) Mrs Claire Ward
SECRETARY	None
KEY MANAGEMENT PERSONNEL	Sheena Hulme (Operations Director)
AUDITOR	Blue Spire Limited Cawley Priors South Pallant Chichester West Sussex P019 1SY
BANKERS	Lloyds TSB Bank plc 38 London Road North End Portsmouth Hampshire P02 OLR

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

Throughout these accounts, the term "NTR" refers, variously according to context, to the company and to the charity called "The New Theatre Royal – Trustees (Portsmouth) Limited" along with the theatre with the name "New Theatre Royal, Portsmouth", owned and managed by the company.

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of NTR for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of NTR.

REFERENCE AND ADMINISTRATIVE DETAILS

The schedule "Charity Information" on page two provides details about NTR's registered number, company number, registered office, trustees, advisers and offices.

THE TRUSTEES

Trustees who served on the Board of NTR during the period were as follows:

Mr Simon Eden (Chair until 25 October 2022, resigned 26 October 2022)

Ms Susan Aistrop

Mr Colin Bradey (resigned 12 November 2021)

Mrs Krystyna Butwilowska

Mr Timothy Herman

Dr Catherine McNamara

Mr William Purvis (resigned 27 June 2022)

Mrs Claire Ward

Ms Louise Wilders (resigned 22 September 2022)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

NTR is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 29 June 1976. It is registered as a charity registered with the Charity Commission.

Appointment of trustees

Members are appointed either by nomination by Portsmouth City Council (local authority funding body) or by nomination and election. All appointments are confirmed at the Annual General Meeting. In compliance with the Articles and Memorandum of Association, the three longest serving board members are required to be re-elected at each AGM and no member shall serve longer than nine years.

Trustee induction and training

Trustee inductions include a multi-document briefing including accounts, minutes, health and safety and other policies, budget and business plan. All new members are invited to meet the Chair. New board members are given induction guides.

Organisation

Since March 2020 and for the time being until plans to recruit a new Chief Executive Officer are realised, the Operations Director (Sheena Hulme) has been responsible for the everyday running of NTR.

The Annual General Meeting takes place in October. The Board meets formally on a two-monthly basis with informal meetings in between.

Board members may serve on a sub-committee or advisory panel to progress key areas of operation and development, chosen to reflect the requirements of these and the skills and expertise of the members. Sub-committees during the period were: Finance and Estates Committee (monthly meetings) and a Strategic Working Group (meetings as required).

Appropriate staff members and co-optees also serve these committees and advisory panels. A skills audit is undertaken to identify skills areas on the Board, which advises both the recruitment of new board members and sub-committee membership.

To facilitate effective operations, the Chair has authority, within the terms of delegation approved by the trustees and described in the 2006 Act, to give support and oversight to those managing the day-to-day operations of NTR. Additional delegated authority includes operational activities relating to finance, recruitment and employment, business planning and development, trading, fundraising and marketing. Authority delegated to the Chair and sub-committee members is subject to Board approval. Board members and staff are required to complete a declaration of interests and may be required to be exempt from decisions where a conflict is identified.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

The authority of the Chair may be delegated to the Deputy Chair, as decided by the Chair and trustees (where appropriate) where the Chair is practically unable to undertake her duties.

The Trustees thank the staff of NTR for their work in achieving the objectives and activities during the period.

Remuneration process

Personnel remuneration is reviewed on an annual basis by the Operations Director, taking into consideration benchmarked industry averages; minimum wage increases; affordability; and staff development. Remuneration policy is agreed with, and its adherence monitored by, the Finance and Estates Committee.

Volunteers

NTR operates a busy volunteer programme and continually seeks to recruit new volunteers. Volunteers provide front of house services for performances and events; marketing support such as leaflet and poster distribution; maintenance support; archiving and historical research and recording; financial records and report preparation; and assistance at community events. The trustees wish to thank all volunteers, without whom the venue could not operate.

Related parties

On 15 February 2022, the dormant subsidiary, NTR Trading Limited, was dissolved.

There are no other related parties.

Risk management

The trustees are risk aware with business plans and policies informed by our risk register. The risk register is reviewed at least ten times a year and is considered at every formal board meeting. There is a regular review by the Finance & Estates Committee of financial, HR and health and safety risks.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects for which NTR is established are the encouragement of the Arts, the promotion and advancement of aesthetic education and the cultivation and improvement of public taste in drama, opera, music, ballet, painting and sculpture, cinema, literature, and the other arts.

Generally, NTR seeks to meet these objects in the following ways:

1. Producing, commissioning and presenting a quality programme of theatre performance and engagement work across our theatres and our communities.
2. Providing artist and sector support, including embedded commissioning, creative technologies and neuro-divergent research and development.
3. Creating a digital hub that supports the exploration of emerging and future technologies through our work.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

4. Stimulating two-way international creative programming, promoting Portsmouth as an international city.

These objectives and the activities based upon them have been agreed by reference to, and in accordance with, the Charity Commission guidance on public benefit.

In pursuit of these charitable objects for the public benefit, NTR presents performances at the New Theatre Royal and other venues within Portsmouth and the region. NTR also organises and runs a comprehensive and growing programme of educational and community workshops. These areas of activity are commensurate with the vision and objectives of the company to provide recreation, education and both individual and community benefits, social and economic.

NTR seeks to operate partnerships with other arts organisations in the region and across the UK and works closely with many local community and education organisations. There is close liaison with other local arts providers and NTR works with community groups from a diverse variety of interests and art forms. The trustees would like to thank all its partners and supporters, and their contribution to our objectives and activities.

Achievements and performance during the year

During Summer 2021 as pandemic restrictions allowed us to reopen, NTR started a recovery process with a programme initially based on rescheduling shows to honour our obligations for those that had been deferred during the closure period and where ticket holders had been waiting patiently. During the year, these were completed and by the end, the programme was mostly based on newly booked shows. Our programme included these highlights:

- a) We presented NTR's first family pantomime in decades, "Cinderella" produced by Jordan Productions.
- b) We continued our positive calibration with our Associate Artist, Downtown Pompey, to deliver a project focused on telling new mothers' stories.
- c) We achieved a strong level of diversity across our programme, including Wearing Mums Make Up, Chichester University, Journeys International Festival and performances and tours for local children and young people.
- d) We offered £10 tickets on most shows for 16–25-year-olds, free culture cards for refugees and young people in care, HAF workshops and access performances.
- e) We saw through the first year of a two-year apprentice programme, providing one opening in marketing and the another in technical. We also provided a kickstart position with our box office team.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

Key statistics for our programme during the year are as follows:

1 - Reach	
Number of productions	54
Number of performances	128
Number of participatory events	62
Attendances for performances	27,040
Attendants for participation	3,259
Total attendances	30,299

2 - Demographics <i>(based on Audience Spectrum)</i>	16/17 %	17/18 %	18/19 %	19/20 %	20/21 %	21/22 %	Portsmouth %	South East Region %
Highly Engaged								
Metroculturals	2.3	1.5	1.5	1.5	Closed	1.9	1	1
Commuterland Culturebuffs	16.6	16.2	16.9	16.7		16.1	3	22
Experience Seekers	12.2	10.6	10.2	9.9		9.4	25	11
Medium Engagement								
Dormitory Dependables	22.4	23	23.6	23.5		25.6	7	21
Trips and Treats	20.1	21.2	20.4	20.7		20.6	28	15
Home and Heritage	9.6	8.9	9.1	9.2		6.3	6	11
Low Engagement								
Up Our Street	8	8	8.1	7.6		8.5	10	6
Frontline Families	4.8	6.3	6.1	6.3		7.1	9	2
Kaleidoscope Creativity	1.8	1.9	1.9	2.1		2	5	3
Supported Communities	2.3	2.4	2.2	2.5		2	4	2
	100	100	100	100		100	100	100

In 2021/22 we focused our community activity on one target group - children and young people - which was achieved largely through informal relationships with hire and further education institutions, schools, youth groups and facilitated HAF activities in the holidays.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

Relationships with key partners

NTR has historically had close relationships with its two key funders: Arts Council England, and Portsmouth City Council. These are based upon formal funding agreements that include funder attendance at our board meetings and monitoring of key performance indicators designed to match the objectives set down for the year.

We explained in previous accounts that NTR had been an ACE National Portfolio Organisation (NPO) until March 2022 when we decided not to apply for renewal based on feedback as to the prospects of success. ACE had been increasingly expressing concern over NTR's artistic direction, governance and financial position, leading to its short-notice decision to withhold core funding for 2020/21 and 2021/22 when Covid lockdown commenced. As a result, expected funding totalling £500k was denied to NTR until conditions had been achieved. This in turn had exacerbated NTR's poor financial position, already badly impacted by Covid conditions and lockdown, although it was fortuitously able to survive through the funding support and patience shown by other partners, creditors, ticket holders and individual donors.

The position at the time of signing these accounts is that ACE has agreed to release 50% of the retained core grant and the payment will be made in January 2023. The balance is payable when conditions, essentially the recruitment of new trustees to bolster the board's strength, have been met. The trustees believe this can be achieved during 2022/23.

As NTR is no longer an NPO, there will not be any further core grants paid during the current NPO round from 2023-2026. We shall though be regularly exploring whether we can apply for specific project grants during this period and would then look to apply again for NPO status when the next round opens.

The relationship with Portsmouth City Council has remains strong and supportive during these difficult years. The trustee report with the previous year's accounts explained how PCC agreed to a sale and leaseback agreement for the theatre building. This completed during the financial year in August 2021 and released £700k to enable NTR to settle its pressing debts, continue operating and avoid insolvent liquidation. PCC continues to engage closely with us in various ways, now also as our landlord, and the trustees are sincerely grateful for all the support shown.

We also explained in the previous accounts the negotiation that had taken place with University of Portsmouth, with which we share part of the theatre building, about a long outstanding debt of £0.5m for capital works that had taken place around six years ago. This led to a compromise with a settlement of 70% of the full amount claimed, which the trustees gratefully acknowledge. NTR continues to work closely with the University and regularly provides its facilities to students.

Lastly, the trustees wish to record their appreciation once again to the many parties who have stood by NTR during its difficult period. These are too numerous to mention here by name, including regular users of the theatre facilities; promoters particularly those with shows left in abeyance; ticket holding members of the public for shows that had to be cancelled or deferred; artists; suppliers and employees. The trustees hope to repay their loyalty by ensuring that NTR springs back to full financial and operating health and continues to play a full role in the city's vibrant cultural life for many years to come.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

Fundraising standards information

Fundraising activity comprises individual giving via website and box office donations; sales of friends memberships, and venue and activity sponsorship. University of Chichester became a key fundraising partner, its fundraising undergraduates work on funding bids for the Theatre and the ticket sales from week runs performed by the students are donated to NTR. The types of activity undertaken are considered low risk and are not subject to regulatory memberships or schemes. Fundraising activity is documented and monitored by the Operations Director with oversight from the Finance and Estates Committee.

FINANCIAL REVIEW

Principal financial matters

The statement of financial activity in these accounts shows a deficit of £154,060 including a depreciation charge of £49,989 (2021: deficit £100,835).

The results for 2021/22 (as for 2020/21) were unusual, reflecting limited activity and most income being derived from various support grants and fundraising donations, with costs being held to the lowest possible levels during the lockdown period.

NTR opened from late Summer 2021 increasingly and worked through a backlog of rescheduled shows for which tickets had generally been sold before lockdown. As the year progressed, we were able to pull together an expanded programme with mostly new shows by the year end. Ticket sales have quickly returned to and now exceed pre-pandemic levels as shown in this table.

Pandemic closure period								
Ticket Sales								
	2015	2016	2017	2018	2019	2020	2021	2022
Jan		28.6	75.2	85.4	75.9	62.4	(0.7)	81.7
Feb		33.9	97.8	86.4	70.7	76.0	2.1	79.6
Mar		42.8	76.2	68.0	68.1	43.0	5.1	60.3
Apr		82.0	27.2	46.6	44.6	1.5	6.2	166.5
May		40.5	23.2	57.0	52.8	(2.6)	11.7	88.1
Jun		41.0	39.8	41.1	77.8	0.8	9.1	114.3
Jul		32.1	37.6	59.4	85.4	3.3	(6.7)	77.2
Aug	10.5	35.2	46.2	46.2	37.1	1.9	10.7	54.2
Sep	10.5	51.3	58.1	59.3	59.8	1.4	55.5	64.3
Oct	47.2	57.1	64.1	102.0	76.7	3.5	88.3	92.4
Nov	50.2	71.2	82.5	114.7	88.9	2.6	77.9	116.2
Dec	36.5	81.5	101.3	110.4	84.3	4.7	67.6	
Grand Total	154.9	597.1	729.2	876.5	822.0	198.6	326.9	994.8

Annualised total 1,062

Notwithstanding the greater revenue, NTR still incurred a deficit during the year as the costs of laying on a programme of shows under the current operating model would always be expected to exceed the share of ticket sales. Normally core grants would be expected to cover the shortfall but as explained in the previous section, the ACE grant was withheld and only paid after the year end.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

Principal risks

In the current environment, NTR continues to face a range of significant risks, notwithstanding that its finances have been transformed by the sale and leaseback without which it would surely have been wound up. The subsequent agreement with ACE to release withheld funds, equivalent to two year's core funding, should now provide a reserve buffer to fund deficits until a more sustainable operating model can be put in place along with enhanced management to handle it.

The trustees are still mindful that they need to implement a strategy that ensures the reliance on public grants is minimised and, as total avoidance is not realistic, that they carry the providers of these grants along with their plans, through confidence in the strength of governance and quality of the cultural programme.

The second principal risk is the poor general economic environment with uncertain prospects of a full recovery. Consumer spending on attending arts events remains a readily avoidable expenditure when pressures increase on family budgets.

Investment powers and policy

Under the Memorandum and Articles of Association, NTR has the power to invest in any way the trustees wish in furtherance of its objectives.

Reserves policy

Reserves are to be spent (at the trustees' discretion) in furtherance of NTR's objectives. Its policy is to aim to develop unrestricted funds, which are its free reserves, at a level that equates to approximately four months unrestricted expenditure. This would provide sufficient funds to cover management, administration and support costs. The target level for such funds is around £130k.

The impact of the last two years has inevitably made achievement of this objective impossible in the short term, in particular with the double impact on having to reimburse both promoters and customers following cancellation and rescheduling of shows. The trustees believe however that with the receipt of £700k from the sale of the property during 2021 and the receipt of £500k in withheld ACE grants expected imminently, NTR will once again be complying with this objective.

PLANS FOR FUTURE PERIODS

The trustee's immediate plans are focused on complying with the remaining ACE condition to release the core grants. This is essentially the recruitment of new trustees and a strengthening of the board with an appropriate range of expertise and experience.

Additional priorities for 2022/23 are to:-

- a) Enhance the management team through recruitment at senior levels.
- b) Address issues concerning NTR's governance and on diversity and inclusion raised by separate external reviews.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

- c) Look for opportunities to widen the fundraising sources and our capability to tap into them.
- d) Engage with our local community to provide a broader range of cultural activities as we see a post-pandemic easing of lockdown restrictions.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the company, NTR, for the purposes of company law) are responsible for preparing the trustees' annual 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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 auditor is aware of that information.

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

The board of trustees conduct continuous monitoring of the financial and operational position based on current and projected figures.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' REPORT

AUDITOR

Blue Spire Limited was reappointed as auditors at the annual general meeting of the NTR.

This report has been prepared having taken advantage of the exemption for small companies in the Companies Act 2006.

Approved by the trustees and signed on their behalf.



Angela Parks

Date 19 December 2022

Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT

Independent Auditor's Report to the members of The New Theatre Royal — Trustees (Portsmouth) Limited

Opinion

We have audited the financial statements of The New Theatre Royal—Trustees (Portsmouth) Limited for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 charitable company's affairs as at 31 March 2022, 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 (applicable to smaller entities); 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 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 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.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 directors' report and from the requirement to prepare a strategic report.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Companies Act 2006 and the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reading minutes of meeting of those charged with governance.
- Challenging assumptions made by management in their significant accounting estimates in particular those relating to provisions.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT

- Enquiry of those charged with governance around actual and potential litigation and claims.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. 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.



20 December 2022

Geoffrey Frost BSc (Hons) FCA, Senior Statutory Auditor
For and on behalf of Blue Spire Limited, Statutory Auditors
Cawley Priory, South Reliant, Chichester, West Sussex PO19 1SY

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF FINANCIAL ACTIVITIES

(INCOME AND EXPENDITURE ACCOUNT)

		Unrestricted Funds		2022	2021
	Note	General	Designated	Total Funds	Total Funds
		£	£	£	£
INCOME AND ENDOWMENTS FROM:-					
Donations and legacies	1	78,081	-	78,081	213,736
Other trading activities	2	14,179	-	14,179	9,333
Investments	3	3	-	3	7
Charitable activities	4	546,835	-	546,835	(1,121)
Other	5	-	-	-	-
Total		639,098	-	639,098	221,955
EXPENDITURE ON:-					
Raising funds	6	147	-	147	435
Charitable activities	7	743,022	49,989	793,011	322,008
Total		743,169	49,989	793,158	322,443
Net income/(expenditure)		(104,071)	(49,989)	(154,060)	(100,488)
Gross transfers between funds	21	691,695	(691,695)	-	-
Tax on activities	10	-	-	-	(347)
Net movement in funds		587,624	(741,684)	(154,060)	(100,835)
RECONCILIATION OF FUNDS					
Total funds brought forward		(870,283)	1,187,240	316,957	417,792
Total funds carried forward		(282,659)	445,556	162,897	316,957

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	403,156	1,144,839
Investments - subsidiary undertakings	14	-	2
Total fixed assets		403,156	1,144,841
CURRENT ASSETS			
Stock of goods for resale	15	2,092	2,500
Debtors	16	27,348	87,182
Cash at bank and in hand		239,786	6,787
Total current assets		269,226	96,469
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	17	(359,485)	(774,353)
Net current assets/(liabilities)		(90,259)	(677,884)
Total assets less current liabilities		312,897	466,957
Creditors: Amounts falling due after more than one year	18	(150,000)	(150,000)
Total assets/(liabilities)		162,897	316,957
THE FUNDS OF THE CHARITY			
Unrestricted funds			
General funds	21	(282,659)	(870,283)
Designated funds	21	445,556	1,187,240
Total unrestricted funds		162,897	316,957
Total charity funds		162,897	316,957

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 24 to 37 form part of these accounts.

Approved by the trustees and signed on their behalf on 19 December 2022



Angela Parks
Chair

The New Theatre Royal - Trustees (Portsmouth) Limited (Company No.: 01266053)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF CASH FLOWS

	2022	2021
	£	£
Net cash flow from operating activities (see below)	(450,027)	10,968
Cash flow from disposal of freehold property and shares	700,000	-
Cash flow from investing activities		
Payments made to acquire tangible fixed assets	(8,306)	-
Interest received	3	7
Net cash flow from investing activities	(8,303)	7
Net increase/(decrease) in cash and cash equivalents	241,670	10,975
Cash and cash equivalents at 1 April 2021	(2,979)	(13,954)
Cash and cash equivalents at 31 March 2022	238,691	(2,979)

Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£	£
Net income for the year	(154,060)	(100,488)
Adjusted for:		
Interest receivable	(3)	(7)
Taxation recoverable	-	(347)
Depreciation and impairment of tangible fixed assets	49,989	56,992
Decrease/(increase) in stock	408	-
Decrease/(increase) in debtors	59,834	(57,466)
Increase/(decrease) in creditors	(406,195)	112,284
	(295,967)	111,456
Net cash flow from operating activities (see above)	(450,027)	10,968

Analysis of changes in net debt				At 31 March
	At 1 Apr 2021	Cash flows	Other non-cash changes	2022
Cash and cash equivalents				
Cash at bank and in hand	6,787	(467,001)	700,000	239,786
Bank overdraft repayable on demand	(9,766)	8,671	-	(1,095)
Total	(2,979)	(458,330)	700,000	238,691

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

The New Theatre Royal - Trustees (Portsmouth) Limited is an incorporated charity, limited by guarantee, incorporated in England with the company number 01266053. In the event of the NTR being wound up, the liability in respect of the guarantee is limited to £10 per member. The address of the registered office is given in the charity information page of these financial statements. The nature of the NTR's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of NTR and rounded to the nearest £.

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

Subsidiary undertakings

In previous years, NTR had a wholly owned subsidiary undertaking, NTR Trading Limited, a company, limited by shares, incorporated in England with the company number 2911289. The results of NTR Trading Limited were not consolidated into these accounts on the basis it was dormant and is therefore not significant to the group. NTR Trading Limited was exempt from the requirements of Companies Act 2006 relating to the audit of its individual accounts by virtue of section 477.

On 15 February 2022, the subsidiary was dissolved. There was no profit or loss during the two years reported upon in these accounts.

Incoming resources

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

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

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

ACCOUNTING POLICIES

Investment income in the form of bank interest is recognised as the right to receive payment is established.

For legacies, entitlement is the earlier of being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified where it is not yet possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Resources expended

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

Staff costs, support costs and governance costs

Support costs are those that assist the work of NTR but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Staff costs have been allocated between costs of raising funds, charitable activities and governance costs on the basis of time spent by staff. Support costs cannot be directly attributed to particular headings and have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated to charitable activities on the best estimate of the use of those resources.

Governance costs are costs associated with the general running of NTR as opposed to the day to day activities. Governance costs have been allocated to cost of charitable activities on the basis they form part of carrying out those activities.

Allocation of support costs and governance costs

Support costs and governance costs are allocated to the different activities within expenditure on charitable activities on the basis of the number of clients involved in each activity.

Employee benefits

When employees have rendered service to NTR, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised on the same basis as expenditure as outlined above.

NTR operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

NTR is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no income tax is payable on its activities.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

ACCOUNTING POLICIES

VAT

NTR is registered for VAT and operates on a standard basis. Costs are recorded net of VAT within the SOFA.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment - 15 years
- Fixtures and fittings - 5 years
- Freehold buildings - 50 years

Investments

Until it was dissolved in February 2022, fixed asset investments comprised the entire share capital of the subsidiary trading company, NTR Trading Limited. The investment is valued at cost on the basis there is no available fair value for the share capital.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

ACCOUNTING POLICIES

Fund accounting

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Designated funds

Unrestricted designated funds are funds used, or set aside for use, for specific purposes at the discretion of the trustees.

Unrestricted funds

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

Going concern

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

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Donations	23,736	-	23,736
Gift aid receivable	3,393	-	3,393
Grants receivable	-	-	-
Portsmouth City Council	-	-	-
Arts Council England	-	-	-
CJRS & other Covid-19 grants	41,888	-	41,888
Other grants	9,064	-	9,064
	78,081	-	78,081

	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Donations	23,517	-	23,517
Gift aid receivable	-	-	-
Grants receivable	-	-	-
Portsmouth City Council	77,000	-	77,000
Arts Council England	-	-	-
CJRS & other Covid-19 grants	108,419	-	108,419
Other grants	4,800	-	4,800
	213,736	-	213,736

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

2. Other trading activities

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Rental and hire income	14,179	-	14,179
	<u>14,179</u>	<u>-</u>	<u>14,179</u>

	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Rental and hire income	9,333	-	9,333
	<u>9,333</u>	<u>-</u>	<u>9,333</u>

3. Investments

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Bank interest receivable	3	-	3
	<u>3</u>	<u>-</u>	<u>3</u>

	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Bank interest receivable	7	-	7
	<u>7</u>	<u>-</u>	<u>7</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

4. Charitable activities

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Ticket income	308,878	-	308,878
Community activity income	-	-	-
Project income	6,957	-	6,957
Merchandise income	5,363	-	5,363
Hire of theatre	99,960	-	99,960
Other income	41,738	-	41,738
Bar and catering income	83,939	-	83,939
	<u>546,835</u>	<u>-</u>	<u>546,835</u>
	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Ticket income	3,577	-	3,577
Community activity income	-	-	-
Project income	-	-	-
Merchandise income	-	-	-
Hire of theatre	(5,000)	-	(5,000)
Other income	312	-	312
Bar and catering income	(10)	-	(10)
	<u>(1,121)</u>	<u>-</u>	<u>(1,121)</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

5. Other income

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Other income and provisions no longer required	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>

	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Other income and provisions no longer required	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>

6. Raising funds

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Seeking donations and fundraising event:	147	-	147
	<u>147</u>	<u>-</u>	<u>147</u>
	<u>147</u>	<u>-</u>	<u>147</u>

	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Seeking donations and fundraising event:	435	-	435
	<u>435</u>	<u>-</u>	<u>435</u>
	<u>435</u>	<u>-</u>	<u>435</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

7. Charitable activities

	2022		2021	
	Theatre performance	Total Funds	Theatre performance	Total Funds
	£	£	£	£
Artistic and outreach activity	232,860	232,860	4,134	4,134
Box office and front of house	20,318	20,318	13,263	13,263
Bar and catering costs	36,823	36,823	89	89
Marketing and advertising	36,505	36,505	867	867
Depreciation	49,989	49,989	56,991	56,991
Support costs (see note 8)	405,882	405,882	235,904	235,904
Governance costs (see note 8)	10,634	10,634	10,760	10,760
	793,011	793,011	322,008	322,008
General funds	743,022	743,022	265,017	265,017
Designated funds	49,989	49,989	56,991	56,991
	793,011	793,011	322,008	322,008

8. Support and governance costs

	2022			
	Fundraising costs	Charitable activities	Governance	Total Funds
	£	£	£	£
Staff payroll costs	-	239,574	-	239,574
Staff related costs	-	1,738	-	1,738
Premises	-	119,643	-	119,643
Communications and IT	-	14,895	-	14,895
Legal and professional	-	12,886	-	12,886
Advertising and printing	-	952	-	952
Accountancy	-	-	8,105	8,105
Audit fees - current year	-	-	2,529	2,529
Finance charges	-	16,194	-	16,194
	-	405,882	10,634	416,516
Unrestricted general funds	-	405,882	10,634	416,516
	-	405,882	10,634	416,516

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

Support and governance costs (continued)

				2021
	Fundraising costs	Charitable activities	Governance	Total Funds
	£	£	£	£
Staff payroll costs	-	155,889	-	155,889
Staff related costs	-	11	-	11
Premises	-	45,740	-	45,740
Communications and IT	-	13,709	-	13,709
Legal and professional	-	8,600	-	8,600
Advertising and printing	-	(18)	-	(18)
Accountancy	-	-	9,260	9,260
Audit fees - current year	-	-	1,500	1,500
Finance charges	-	11,973	-	11,973
	<u>-</u>	<u>235,904</u>	<u>10,760</u>	<u>246,664</u>
Unrestricted general funds	<u>-</u>	<u>235,904</u>	<u>10,760</u>	<u>246,664</u>
	<u><u>-</u></u>	<u><u>235,904</u></u>	<u><u>10,760</u></u>	<u><u>246,664</u></u>

9. Auditor's remuneration

			2022
	Unrestricted Funds		Total Funds
	General	Designated	£
	£	£	£
Auditors remuneration - audit	<u>2,529</u>	<u>-</u>	<u>2,529</u>

			2021
	Unrestricted Funds		Total Funds
	General	Designated	£
	£	£	£
Auditors remuneration - audit	<u>1,500</u>	<u>-</u>	<u>1,500</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

10. Tax on activities

	Unrestricted Funds		2022
	General	Designated	Total Funds
	£	£	£
Tax recoverable - Theatre Tax Relief	-	-	-

	Unrestricted Funds		2021
	General	Designated	Total Funds
	£	£	£
Tax recoverable - Theatre Tax Relief	347	-	347

11. Wages and salary cost

	2022	2021
	Total Funds	Total Funds
	£	£
Gross wages	225,209	158,422
Employer's national insurance costs	11,266	11,524
Employer's pension contributions	3,099	2,514
	239,574	172,460
Staff numbers:		
Average head count	22	22

There were no employees with employee benefits above £60,000 in this or the preceding year.

Pension Scheme

The charity operates a defined contribution plan for the benefit of its employees. Contributions payable to the scheme for the year under review amounted to £3,099 (2021: £2,514). At the balance sheet date, £768 (2021: £547) was payable in respect of these contributions.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

12. Related party transactions

There are no related party transactions.

None of the other trustees were remunerated or received other benefits during the year under review or the comparative year from employment with NTR. No other trustees were reimbursed expenses or had expenses paid on their behalf in the year under review or the comparative year.

During the year under review NTR's key management personnel received employee benefits totalling £41,356 (2021: £41,153). In addition, travel and subsistence expenses were reimbursed at cost only where these were wholly necessary for their roles.

There were no other transactions with related parties that require disclosure in the financial statements

13. Fixed assets

	Freehold property £	Theatre equipment £	Fixtures & fittings £	TOTAL £
Cost				
Brought forward	5,434,065	735,723	150,877	6,320,665
Additions	-	5,407	2,899	8,306
Disposals	(5,434,065)	-	-	(5,434,065)
Carried forward	-	741,130	153,776	894,906
Depreciation				
Brought forward	4,734,065	290,884	150,877	5,175,826
Charge for the year	-	49,409	580	49,989
On disposals	(4,734,065)	-	-	(4,734,065)
Carried forward	-	340,293	151,457	491,750
Net book value carried forward	-	400,837	2,319	403,156
Net book value brought forward	700,000	444,839	-	1,144,839

In 2021, a disposal of the freehold property was agreed with Portsmouth City Council for a price of £700,000, which completed during the year. For the purpose of the 2019/20 accounts, the trustees considered that as there was already a permanent diminution in value of the freehold property to that price, it was appropriate to recognise this at the earliest opportunity in those accounts through an exceptional depreciation charge that brought the net book value to the sale price. Having done that, it is not necessary to make a depreciation charge in these accounts and the disposal took place without loss or gain on the revised net book value.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

14. Investments – subsidiary undertakings

	2022 - Dissolved			2021 - Dormant		
	Ordinary share capital	Net assets		Ordinary share capital	Net assets	
	%	£	£	%	£	£
NTR Trading Limited (CRN. 2911289)	-	-	-	100	2	2

15. Stock

	2022	2021
	£	£
Bar, café and ice cream stock	2,092	2,500

16. Debtors

	2022	2021
	£	£
Trade debtors	11,568	653
Tax debtors	2,926	83,505
Prepayments and accrued income	12,854	3,024
	27,348	87,182

17. Creditors: Amounts payable within one year

	2022	2021
	£	£
Trade creditors	63,101	400,612
Amounts due to NTR Trading Limited	-	2
Accruals	36,845	19,052
Hire deposits	26,735	30,245
Deferred income (see below)	224,769	240,558
Taxation and social security	6,172	33,571
Bank overdrafts	1,095	9,766
Other creditors	768	547
Loans	-	40,000
	359,485	774,353

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

	Brought forward	Released in year	Deferred in year	Carried forward
Ticket sales in advance	240,558	(308,878)	293,089	224,769

18. Contingent liability

At the balance sheet date, there are no known matters for which it would be appropriate to include a liability in these accounts or make reference to them in this note. The capital costs for the theatre development mentioned in the previous accounts has now crystallised into a certain liability.

19. Creditors: Amounts payable in more than one year

	2022 £	2021 £
Loans	150,000	150,000
Analysed as payable: After five years	150,000	150,000

20. Post balance sheet events and matters relevant to going concern

The accounts for 2020/21 contained a note 20 about the material uncertainties relating to going concern, to which the audit report also referred.

The note referred to the agreement reached with Portsmouth City Council for a sale and leaseback of the theatre building and a compromise on the debt owed to University of Portsmouth. These matters were essentially intended to assist NTR deal with its distressed financial position and duly concluded satisfactorily. The sale of the building took place and is now reflected in these accounts, which consequently allowed NTR to deal with the debt due to the University and all the other arrears owed to creditors.

The note also explained that the trustees had yet to reach agreement with Arts Council England about the release of retained grant funding. This release, or achievement of alternative funding, was necessary if NTR were to be able to operate properly and settle its future obligations.

The position at the time of signing these accounts is that ACE has agreed to release 50% of the retained core grant and a payment of £250k will be made in January 2023. This receipt will be sufficient to enable NTR to operate satisfactorily for at least twelve months from the date of signing these accounts. Consequently, it is appropriate that the going concern basis be applied in the preparation of these accounts.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

ACE has further confirmed that the £250k balance of the retained funds will be paid once conditions, essentially the recruitment of new trustees to bolster the board's strength, have been met. The trustees believe this can be achieved during 2023 and would further underpin the short-term funding needs of NTR.

21. Analysis of net assets between funds

	As at 31 March 2022			2021	
	Unrestricted funds		Total funds		Total funds
	General	Designated			
Fixed assets	-	403,156	403,156	1,144,841	
Net current assets/(liabilities)	(132,659)	42,400	(90,259)	(677,884)	
Non-current liabilities	(150,000)	-	(150,000)	(150,000)	
	(282,659)	445,556	162,897	316,957	

	As at 31 March 2021			2020	
	Unrestricted funds		Total funds		Total funds
	General	Designated			
Fixed assets	2	1,144,839	1,144,841	1,201,833	
Net current assets/(liabilities)	(720,284)	42,400	(677,884)	(594,041)	
Non-current liabilities	(150,000)	-	(150,000)	(190,000)	
	(870,282)	1,187,239	316,957	417,792	

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

22. Analysis of movement in funds

Year to 31 March 2022

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
Designated funds						
Fixed asset reserve	1,144,840	-	(49,989)	(691,695)	-	403,156
Capital works	42,400	-	-	-	-	42,400
Total designated funds	1,187,240	-	(49,989)	(691,695)	-	445,556
General reserves	(870,283)	639,098	(743,169)	691,695	-	(282,659)
Total unrestricted funds	316,957	639,098	(793,158)	-	-	162,897
Total funds	316,957	639,098	(793,158)	-	-	162,897

Transfers

The transfer of £691,695 between the unrestricted general funds and the fixed asset reserve represents the additions to fixed assets less disposals in the year.

Year to 31 March 2021

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Tax on activities £	Total funds carried forward £
Unrestricted funds						
Designated funds						
Fixed asset reserve	1,201,831	-	(56,991)	-	-	1,144,840
Capital works	42,400	-	-	-	-	42,400
Total designated funds	1,244,231	-	(56,991)	-	-	1,187,240
General reserves	(826,439)	221,955	(265,452)	-	(347)	(870,283)
Total unrestricted funds	417,792	221,955	(322,443)	-	(347)	316,957
Total funds	417,792	221,955	(322,443)	-	(347)	316,957

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

23. Description of funds

Designated funds

**Fixed asset
reserve**

Funds representing the net book value of fixed assets held by NTR.

Capital works

Funds set aside by the trustees, in 2016-17 financial year, for the completion of the capital works to the building.

24. Financial instruments

	2022	2021
	Total funds	Total funds
	£	£
Financial assets		
Debt instruments measured at amortised cost:		
Share capital investment in NTR Trading Limited	-	2
Trade debtors	11,568	(990)
	<u>11,568</u>	<u>(988)</u>
Financial liabilities		
Measured at amortised cost:		
Trade creditors	63,101	400,612
	<u>63,101</u>	<u>400,612</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

25. Previous year statement of financial activities

	Unrestricted Funds		Restricted	2021	2020
	General	Designated	Funds	Total Funds	Total Funds
	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:-					
Donations and legacies	213,736	-	-	213,736	345,082
Other trading activities	9,333	-	-	9,333	11,145
Investments	7	-	-	7	-
Charitable activities	(1,121)	-	-	(1,121)	707,853
Other	-	-	-	-	-
Total	221,955	-	-	221,955	1,064,080
EXPENDITURE ON:-					
Raising funds	435	-	-	435	1,088
Charitable activities	265,017	56,991	-	322,008	5,347,821
Total	265,452	56,991	-	322,443	5,348,909
Net income/(expenditure)	(43,497)	(56,991)	-	(100,488)	(4,284,829)
Gross transfers between funds			-	-	-
Tax on activities	(347)	-	-	(347)	18,504
Net movement in funds	(43,844)	(56,991)	-	(100,835)	(4,266,325)
RECONCILIATION OF FUNDS					
Total funds brought forward	(826,439)	1,244,231	-	417,792	4,684,117
Total funds carried forward	(870,283)	1,187,240	-	316,957	417,792

THE NEW THEATRE ROYAL-TRUSTEES (PORTSMOUTH) LIMITED

England & Wales - Charity number 271976

Accounts

The New Theatre Royal —
Trustees (Portsmouth) Limited

Limited by Guarantee

**Trustees' Report
and Financial Statements**

for the year ended 31 March 2021

Registered Charity Number 271976

Registered Company Number 01266053

NEW
THEATRE
ROYAL
PORTSMOUTH

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

MANAGING AN EXISTENTIAL CRISIS FOR THE THEATRE

Introduction

The year to 31 March 2021 was without doubt one of the most turbulent in the Theatre's history. It came extremely close to an insolvency procedure at several times, as it faced various factors that conspired together to compel it to go dark for over a year and deal with financial pressures on several fronts.

We were able to weather the difficulties of the year substantially due to the loyal support provided to the Theatre and those trying to effect a rescue, be they our customers (particularly those still holding tickets for deferred shows); our management and employees; producers, promoters and hirers (particularly those owed money for cancelled and deferred shows); Titchfield Festival Theatre; and last but not least our two main local stakeholders, Portsmouth City Council and University of Portsmouth. These initially supported the Theatre through flexing their financial arrangements, provided encouragement to the trustees and ultimately were able to arrange what appeared to be the best solution for all concerned. This comprised a sale and leaseback of the building, completed in August 2021, that released funds to deal with pressing obligations whilst allowing the Trust to remain in occupation, continuing the mission of providing opportunities for all people in Portsmouth and environs to access the widest range of music and dramatic art forms.

Throughout the year that we are reporting on in these accounts, the trustees were largely focussed on firefighting over day-to-day issues caused by the lockdown and the decision of Arts Council England, its main funder, to withhold firstly the core grant for 2019/20 and then that for 2020/21. The Theatre was only slowly able to re-open in late Summer 2021, some time after the year end and, at the date of this report, it is still possible Covid restrictions will be reintroduced.

Having saved the Theatre from immediate closure, there remains considerable work still to do to ensure it can thrive and prosper but there is at last a sense of optimism and purpose in the air. An exercise is underway to recruit an Artistic Director & CEO who will lead this recovery. Active discussions are underway with promoters about the nature of the programme once a backlog of shows rescheduled by Covid has cleared. There are early strategic discussions with local partners about some potentially innovative ways to fulfil our mission.

The one remaining, yet significant, hurdle is to address the clear unwillingness of Arts Council England to reinstate the funding commitments in the National Portfolio Organisation agreement. At the date of this report, an amount of £438k has been withheld against normal payment dates under this agreement. So far, ACE has advised us that it is only willing to release these funds on terms that are not acceptable to us. Consequently, we have taken a prudent approach by not including any revenue from that source in these accounts. Whilst the immediate financial pressures have been eased by the property sale, this Theatre, like any other of its type, requires core grant funding of this nature to provide its programme of work. ACE's current stance is putting the ability of the Theatre to continue as a going concern in considerable uncertainty, unless we are able to identify alternative sources of funding.

Impact of Covid-19

On 17 March 2020, the Theatre was required by government to close in response to the Covid-19 pandemic along with all other institutions and this state persisted until long after the year end. Inevitably, the initial closure struck the finances badly. Shows that were underway or planned

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

MANAGING AN EXISTENTIAL CRISIS FOR THE THEATRE

were either rescheduled, or cancelled with the Theatre then being immediately obligated to account on the one hand to promoters for the loss of facilities to hold their shows and on the other hand for customers who had already purchased tickets.

Fortunately, many such promoters were willing to support the Theatre by waiting patiently for the end of the pandemic and the ability to reschedule shows. We are also very grateful for the patience of so many ticket holders who hold tickets for shows which have been rescheduled or cancelled. Once the property sale completed in August 2021, we were able to make full refunds promptly to all those who sought this and we are grateful to those who were prepared to accept alternative tickets or were willing to waive refund as a donation.

Inevitably, the Theatre's finances have been badly affected by an extended period of closure which has already lasted over a year with revenue largely limited to Covid-related support and the generosity of supporters. The trustees were unsuccessful in applying for a Cultural Recovery Fund grant, but took advantage of the Job Retention Scheme funding for furloughed employees and smaller levels of assistance available to cultural, hospitality and leisure businesses generally.

The trustees also launched a crowdfunding campaign, which raised a welcome amount of £16k from members of the public. The trustees truly appreciate this tangible assistance, which has enabled vital costs during the lockdown period to be met, along with numerous messages of support.

Claim by University of Portsmouth

The University is a joint occupant of part of the Theatre, being the Theatre's tenant of the White Swan Building from where it provides its Drama, Music and Performing Arts courses. The University was a joint and principal partner in the development that took place during 2012-15. Under the contractual arrangement between the two parties, the University took on the role of managing the project in conjunction with advisers and contractors. The Theatre did not have a management role, but had agreed within the contract to be recharged for around a third of the total cost, reflecting its proportion of occupied space and benefit from the redevelopment.

By the date of the previous accounts for March 2019, the Theatre had paid around £2.9m plus VAT towards the project, which it had funded entirely by applications to Heritage Lottery Fund, ACE and from external fundraising generally, as it was unable to meet any capital costs from its operating cash flow. The settlement between the University and the main contractor, which should have been finalised by 2016, was delayed for various reasons until 2020.

In April 2020, the University advised the Theatre that there had been a significant cost overrun in the project and it had been forced to concede variations on the original price. It invoiced the Theatre for £474k plus VAT, being its share of the additional expenditure.

ACE funding deferral

In late March 2020, Arts Council England (ACE) informed the trustees that it would be holding back payment of the £250k grant which was awarded to the Theatre as a National Portfolio Organisation. That would normally be paid in quarterly instalments from April 2020, but was withheld until such time as ACE was satisfied about the future viability and direction of the Theatre. ACE expressed a lack of confidence in the Theatre's artistic and operational strategy, was concerned about the risks arising from the recent departure of the chief executive and sought

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

MANAGING AN EXISTENTIAL CRISIS FOR THE THEATRE

improvement in the quality of the financial information submitted. These concerns were then quickly reinforced by the onset of Covid and the receipt of the University claim.

The trustees understand the need to protect public funds by not applying them to an organisation that might not survive. However, ACE's decision added to the challenges the Theatre faced. The trustees have sought to engage with ACE, recognising the importance of its support in resolving problems and the necessity of ongoing financial support following the end of the Covid lockdown. The discussions have regrettably been protracted.

The trustee response to these issues

By March 2020, the trustees were facing three adverse factors, any one of which was clearly sufficient to cause the failure of the company, whilst not overlooking that there was already a systemic deficit that needed to be addressed. In the absence of a chief executive, the trustees assumed direct responsibility for effecting a recovery.

A small working group of trustees was formed to manage a process of determining whether a solution could be found. Professional advice was taken, consultations took place with ACE and Portsmouth City Council (both of whom had observer status on the board) and negotiations commenced with the University to agree a compromise on the amount to be paid for the capital works.

It was immediately apparent that if a solution were to be found, it would have to involve a substantial injection of liquid funds to enable the backlog of creditors and the University debt to be cleared, which in turn (after addressing the other ACE concerns) would unlock the withheld core funding. Furthermore, with the level required out of reach of ordinary fundraising, this injection could only come from a sale of the theatre building, the only asset of realisable value.

Following on from consultations with professional advisers about the poor prospects for a sale on the open market and the likely values, together with extensive negotiations with the University and Portsmouth City Council, the trustees were delighted to receive an acceptable offer of £700,000 from the City Council for the building along with a lease back arrangement on soft terms so the Trust could continue to operate the Theatre.

This proposal was approved formally by the Council Cabinet hearing in March 2021 and its commitment was confirmed by the incoming administration following the May 2021 local elections. Completion finally took place on 25 August 2021.

The trustees have also engaged proactively with the University about the Capital Works debt. Whilst there was disappointment that the cost overrun was allowed to arise and was well in excess of the fundraising that it had in place for the project, the trustees concluded there were insufficient prospects to challenge the claim on any realistic grounds and to attempt to do so, would only antagonise a joint occupier in the building with which the Theatre would want to continue collaborating. The University did however accept that credit had not been given for a successful insurance claim and the claim reduced. We are pleased and grateful to have reached agreement with the University over repayment of our debt and £333k was paid in full and final settlement upon the property sale in August 2021.

The trustees would naturally wish to put on record their deep appreciation of the support and proactive engagement shown by both the Council and the University towards ensuring the survival of the Theatre. Without this, the company would undoubtedly have been wound up.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

MANAGING AN EXISTENTIAL CRISIS FOR THE THEATRE

The trustees have also used the period of closure to reflect and take advice about the management issues raised by external stakeholders. With the prospect of re-opening now sufficiently clear, an urgent exercise is underway to recruit a suitable Artistic Director & CEO of a calibre to effect a recovery, both in artistic and financial terms. A new financial accounting system has also been introduced. A system of committees of trustees and suitable co-opted volunteers is being set up to improve governance. We will be taking further steps to improve governance, reflecting the recommendations of an independent report commissioned by the City Council.

We have taken the opportunity of our fallow year to examine what we can offer the people of Portsmouth and the surrounding area. We have sought external advice on how we can develop a programme which engages with all of the City's communities and takes performing arts out of our building and into the City. Once our new Artistic Director & CEO is in place, we shall be developing an exciting new operating model for the Theatre which does just that.

The Theatre management has also been actively engaging with the promoters of shows that had to be deferred. Some of these were obliged to cancel in the absence of a certain date or where the requirement for distancing made show capacities unviable, but most have been willing to roll forward continuously. The Theatre started to re-open to the public in earnest from July 2021 and the programme of deferred shows has been rescheduled from then until well into 2022.

Management has also had to engage with the holders of around 12,000 tickets for future performances. Reaction has varied widely from anger and upset on the one hand that immediate refunds have not been paid to, fortunately in the larger proportion, complete understanding and support for the objective of ensuring the future of an important community venue. The trustees deeply regret the delays in refunding those who sought this, notwithstanding it was impossible to honour the terms of tickets, due to the prohibition on operating and the withdrawal of all sources of finance. Once the property sale released funds, dealing with that backlog was made a high priority and completed within the subsequent few days.

On the whole, the customer base of the Theatre has been hugely supportive and patient whilst this recovery is brought about. The large majority has been willing not to pursue a refund, either regarding it as a donation or waiting for the rescheduled show.

The final stage in the recovery is to convince ACE to continue its support for the Theatre by releasing the core grant still not paid for 2020/21 and subsequently. Whilst a sale of the property alone has realised enough funds to clear the existing liabilities and achieve solvency, the prospects of operating successfully would be severely harmed if ACE decided not to reinstate the core grant funding. ACE's current stance at the time of signing these accounts is that it is willing neither to restore past grant that has been withheld nor extend grants in the future without the Theatre meeting certain conditions. Discussions are continuing and we cannot predict the outcome.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

CHARITY INFORMATION

REGISTERED CHARITY NAME	The New Theatre Royal - Trustees (Portsmouth) Limited
CHARITY NUMBER	271976
COMPANY REGISTRATION NUMBER	01266053
PRINCIPAL AND REGISTERED OFFICE	New Theatre Royal 20—24 Guildhall Walk Portsmouth Hampshire PO1 2DD
TRUSTEES	Mr Simon Eden (Chair) Ms Susan Aistrop Mr Colin Bradey (retired 12 November 2021) Mrs Krystyna Butwilowska Mr Timothy Herman Dr Catherine McNamara Mr William Purvis Mr Alex Wardle (resigned 5 October 2020) Mrs Claire Ward Ms Louise Wilders (appointed 5 October 2020)
SECRETARY	None
KEY MANAGEMENT PERSONNEL	Sheena Hulme (Operations Director)
AUDITOR	Blue Spire Limited Cawley Priory South Pallant Chichester West Sussex PO19 1SY
BANKERS	Lloyds TSB Bank plc 38 London Road North End Portsmouth Hampshire PO2 OLR

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

The schedule "Charity Information" on page one provides details about the charity's registered number, company number, registered office, trustees, advisers and officers.

THE TRUSTEES

Trustees who served the company on the Board during the period were as follows:

Ms Susan Elizabeth Aistrope

Mr Colin Bradey

Mrs Krystyna Stefania Butwilowska

Mr Simon Francis Eden

Mr Timothy Nigel Herman

Dr Catherine McNamara

Mr William Albert Purvis

Mr Alex Wardle (resigned 5 October 2020)

Mrs Claire Elizabeth Ward

Ms Louise Wilders (appointed 5 October 2020)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The New Theatre Royal Trustees (Portsmouth) Limited is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 29 June 1976 (internally reviewed March 2010). It is registered as a charity with the Charity Commission.

Appointment of trustees

Members are appointed either by nomination by Portsmouth City Council (local authority funding body) or by nomination and election. All appointments are confirmed at the Annual General Meeting. In compliance with the Articles and Memorandum of Association, board members the three longest serving members are required to be re-elected at each AGM and no member shall serve longer than nine years.

Trustee induction and training

Trustee inductions include a multi-document briefing including accounts, minutes, health and safety and other policies, budget and business plan. All new members are invited to meet the Chair. New board members are given induction guides.

Organisation

An Artistic Director & CEO would ordinarily be ultimately responsible for the everyday running of the charity. Following the previous incumbent's resignation in March 2020, this role has been handled by Operations Director (Sheena Hulme).

The Board meets formally on a two-monthly basis with informal meetings in between. The Annual General Meeting takes place in October, although the 2020/21 meeting has been deferred in the circumstances. A Chairperson and Deputy Chairperson is appointed by the trustees.

Board members may serve on a sub-committee or advisory panel to progress key areas of operation and development, chosen to reflect the requirements of these and the skills and expertise of the members. During the financial year, given the absence of a chief executive and in a period of crisis, the previous structure of sub-committees was suspended in favour of a standing working group of trustees and co-opted members, which undertook a more hands-on role in managing the direction of the charity and its negotiations with third parties. After the year end and the return of relative stability with the sale of the building, and following a governance review, a sub-committee structure was created comprising a Policy & Management Committee, a Finance & Estates Committee, a Performance Working Group and a Marketing & Communications Working Group.

Appropriate staff members and co-optees also serve these committees and advisory panels. A skills audit is undertaken to identify skills areas on the Board, which advises both the recruitment of new board members and sub-committee membership.

To facilitate effective operations, the Chairperson has authority, within the terms of delegation approved by the trustees and described in the 2006 Act, to give support and oversight to those

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

managing the day-to-day operations of the charity (the Artistic Director/CEO, and the staff and volunteers). Additional delegated authority includes operational activities relating to finance, recruitment and employment, business planning and development, trading, fundraising and marketing. Authority delegated to the Chairperson and sub-committee members is subject to approval by the board. Board members and staff are required to complete a declaration of interests and may be required to be exempt from decisions where a conflict is identified.

The authority of the Chairperson may be delegated to the Deputy Chairperson, as decided by the Chairperson and trustees (where appropriate) where the Chairperson is practically unable to practice their duties.

The trustees thank the staff of the New Theatre Royal for their work in achieving the objectives and activities during the period.

Remuneration Process

Personnel remuneration is reviewed on an annual basis by the Artistic Director/CEO (when in post) and Operations Director, taking into account: Benchmarked industry averages; minimum wage increases; affordability; and staff development. Remuneration proposals are scrutinised and decided by the Assurance Committee, and salaries above £35k are scrutinised by the full board of trustees. Trustees receive no remuneration for carrying out their roles.

Volunteers

The New Theatre Royal operates a busy volunteer programme and continually seeks to recruit new volunteers. Volunteers provide front of house services for performances and events, marketing support such as leaflet and poster distribution, maintenance support, archiving and historical research and recording, and assistance at community events. The trustees wish to thank all volunteers, without whom the venue could not operate.

Related parties

The charity owns a 100% subsidiary, NTR Trading Limited, a company incorporated in England and Wales. This company was dormant in this period and action has just started to dissolve it.

Risk Management

The trustees are risk aware with business plans and policies informed by our risk register. The risk register is reviewed at least ten times a year and is considered at every formal board meeting. There is a regular review by the Assurance Committee of financial, HR and Health and Safety risks.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects for which the charity is established are the encouragement of the Arts, the promotion and advancement of aesthetic education and the cultivation and improvement of public taste in drama, opera, music, ballet, painting and sculpture, cinema, literature, and the other arts.

Normally, during a typical year, our objectives would be:

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

1. To produce, commission and present a quality programme of theatre performance and engagement work across our theatres and our communities.
2. Artist and sector support, including embedded commissioning, creative technologies and neuro-divergent research and development.
3. To create a digital hub that supports the exploration of emerging and future technologies through our work.
4. To stimulate two-way international creative programming, promoting Portsmouth as an international city.

The trustees confirm that these objectives and the activities based upon them have been agreed by reference to and in accordance with the Charity Commission guidance on public benefit.

In pursuit of charities objects for the public benefit the company would normally present performances at the New Theatre Royal and other venues within Portsmouth and the region. The company also typically organises and runs a comprehensive and growing programme of educational and community workshops. These areas of activity are commensurate with the vision and objectives of the company to provide recreation, education and both individual and community benefits, social and economic.

The company operates several partnerships with other arts organisations in the region and across the UK and works closely with many local community and education organisations. There is close liaison with other local arts providers and the New Theatre Royal works with community groups from a diverse variety of interests and art forms. The trustees would like to thank all its partners and supporters for their contribution to our objectives and activities.

Achievements and performance during the year

The Theatre was obliged by government direction to close on 17 March 2020, along with all other theatres as a Covid-19 prevention measure, and it remained closed throughout the year under review. The same lockdown and social distancing measures also rendered impractical most outreach or community group work outside the theatre building.

Consequently, the level of activity and earned revenue was negligible. Most of the staff were placed on furlough to avail us with Job Retention Scheme funding. The day-to-day focus was on maintaining the building and dealing with the significant threats to the company's survival set out above.

Whilst we sought to spend the time exploring opportunities for the time when we would be allowed to open, in practice the absence of a clear date when lockdown would end made such planning difficult with any precision. Moreover, there was a backlog of contracted shows that had to be delayed and needed to be rescheduled in order to minimise the losses caused to promoters and ticketholders. This now necessarily dictates the format of the programme for the next 12-18 months. However, promoters were not eager to reschedule shows too promptly whilst there was (and is) still a risk of another Covid restriction or whilst self-distancing rules limit the size of audience.

During the year, we promoted a crowdfunding campaign to raise donations for the Theatre, which raised £16k.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

We used the opportunity of quieter activity to introduce new accounting software and associated financial system with the guidance of a qualified accountant. We started to struggle in this area during 2019 when a previous long-standing finance manager left and it reflected in the quality of financial reports being issued. We shall continue to have the support of the accountant whilst ensuring the new system has properly bedded in once we commence show activity again.

We also used the time to overhaul a system of committees of trustees and suitably qualified co-opted volunteers to oversee in more detail the various aspects of the Theatre's operation on behalf of the board.

Fundraising standards information

The Operations Director led fundraising activity for the Trust, through: Individual giving via website and box office donations; sales of Friends subscriptions, and venue and activity sponsorship. University of Chichester became a key fundraising partner; their fundraising undergraduates work on funding bids for the Theatre and the ticket sales from week runs performed by the students are donated to New Theatre Royal. The types of activity undertaken are considered low risk and are not subject to regulatory memberships or schemes. Fundraising activity is documented and monitored by the Operations Director and scrutinised by the Finance & Estates Committee.

FINANCIAL REVIEW

Principal financial matters

The statement of financial activity on page 17 shows a deficit for the year of £101k, after depreciation of £57k. The balance of the deficit represents the cost of maintaining the building and retaining a core staff, until such time as the Theatre can re-open, after setting off income. That income however was drastically reduced by about 80% during the year because of closure, as the table demonstrates, and half the income was Covid-19 support.

	2021/20	2019/20
	£	£
Show/ theatre hire income	(1,423)	586,300
Normal core grant	77,000	326,950
Covid-19 or exceptional grants	113,219	-
Fundraising	23,517	18,132
Rental/ other income	9,645	30,934
Bar, catering, merchandise	(10)	101,764
Investment income	7	-
Total revenue	221,955	1,064,080
Deficit (before depreciation)	(43,843)	(114,514)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

Principal risks

In the current environment, the Theatre is still facing significant risks on various fronts, although the receipt of funds from the property sale after the year end substantially addressed many of them.

Subsequently, the trustees are still mindful that they need to implement a strategy that ensures the reliance on public grants is minimised and, to the extent avoidance altogether is not possible, that they carry the providers of these grants along with their plans through confidence in the strength of governance and quality of the cultural programme.

The second principal risk is the unknown attitude of the ticket buying public towards venturing out to live performances and the timescale required to see turnover exceed previous levels.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish in furtherance of the charity's objectives.

Reserves Policy

Reserves are to be spent (at the trustees' discretion) in furtherance of the charity's objectives. It is the policy of the charity to aim to develop unrestricted funds, which are the free reserves of the charity, at a level that equates to approximately three to four months unrestricted expenditure. This would provide sufficient funds to cover management, administration and support costs. The target level for such funds is around £130k.

The arrival of the capital works claim from the University and impact of Covid inevitably wreaked havoc with this objective during the financial year, in particular with the double impact of having to reimburse both promoters and customers following cancellation and rescheduling of shows. Once the receipt of £700k from the sale of the property was received in August 2021, the charity was from that point able to clear all overdue debts and have sufficient cash resources to operate adequately. This is though still dependent on the funding provided by customers willing to reschedule and buy tickets for future performances and not due to the charity's own reserves. It will however require settlement of the outstanding ACE funding to meet the reserve policy objective.

PLANS FOR FUTURE PERIODS

Our plans for 2021/22 are totally focused on securing a future for the New Theatre Royal whilst we strategically manage our way through the aftermath of the global pandemic and our own immediate issues.

Additional priorities for 2021/22 are to:-

- a) Enhance the management team through recruitment at senior levels.
- b) Address issues concerning the Theatre's governance and on diversity and inclusion raised by separate external reviews.
- c) Look for opportunities to widen the fundraising sources and our capability to tap into them.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

- d) Engage with our local community to provide a broader range of cultural activities as we see a post-pandemic easing of lockdown restrictions.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The New Theatre Royal – Trustees (Portsmouth) Limited for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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 auditor is aware of that information.

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

The board of trustees conduct continuous monitoring of the financial and operational position based on current and projected figures.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT

AUDITOR

Blue Spire Limited were reappointed as auditors at the annual general meeting of the charity.

This report has been prepared having taken advantage of the exemption for small companies in the Companies Act 2006.

Approved by the trustees and signed on their behalf.

Simon Eden

Simon Eden

Date 28 January 2022

Chair

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITORS' REPORT

Independent Auditor's Report to the members of The New Theatre Royal – Trustees (Portsmouth) Limited

Opinion

We have audited the financial statements of The New Theatre Royal – Trustees (Portsmouth) Limited for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 March 2021, 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 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.

Materiality uncertainty relating to going concern

As described in note 20, the company’s ability to be a going concern is dependent on reaching satisfactory long term funding arrangements, either with its existing principal funder to release core grants that have been withheld since March 2020 or secure alternative sources of funding,

In addition, in common with other theatres, the effects of the Covid-19 pandemic on future operating conditions and timescales to full recovery cannot be predicted.

Our opinion is not modified in this respect.

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITORS' REPORT

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 the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 11], 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.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITORS' REPORT

In preparing the financial statements, the trustees are responsible for assessing the 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITORS' 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.



28 January 2022

Geoffrey Frost BSc (Hons) FCA, Senior Statutory Auditor
For and on behalf of Blue Spire Limited, Statutory Auditors
Cawley Priory, South Reliant, Chichester, West Sussex P019 1SY

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL ACTIVITIES

(INCOME AND EXPENDITURE ACCOUNT)

		Unrestricted Funds			Restricted	2021	2020
	Note	General	Designated	Funds	Total Funds	Total Funds	
		£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:-							
Donations and legacies	1	213,736	-	-	213,736	345,082	
Other trading activities	2	9,333	-	-	9,333	11,145	
Investments	3	7	-	-	7	-	
Charitable activities	4	(1,121)	-	-	(1,121)	707,853	
Other	5	-	-	-	-	-	
Total		221,955	-	-	221,955	1,064,080	
EXPENDITURE ON:-							
Raising funds	6	435	-	-	435	1,088	
Charitable activities	7	265,017	56,991	-	322,008	5,347,821	
Total		265,452	56,991	-	322,443	5,348,909	
Net income/(expenditure)		(43,497)	(56,991)	-	(100,488)	(4,284,829)	
Gross transfers between funds	21	-	-	-	-	-	
Tax on activities	10	(347)	-	-	(347)	18,504	
Net movement in funds		(43,844)	(56,991)	-	(100,835)	(4,266,325)	
RECONCILIATION OF FUNDS							
Total funds brought forward		(826,439)	1,244,231	-	417,792	4,684,117	
Total funds carried forward		(870,283)	1,187,240	-	316,957	417,792	

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	1,144,839	1,201,831
Investments - subsidiary undertakings	14	2	2
Total fixed assets		1,144,841	1,201,833
CURRENT ASSETS			
Stock of goods for resale	15	2,500	2,500
Debtors	16	87,182	29,716
Cash at bank and in hand		6,787	1,832
Total current assets		96,469	34,048
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	17	(774,353)	(628,089)
Net current assets/(liabilities)		(677,884)	(594,041)
Total assets less current liabilities		466,957	607,792
Creditors: amounts falling due after more than one year	18	(150,000)	(190,000)
Total assets/(liabilities)		316,957	417,792
THE FUNDS OF THE CHARITY			
Restricted funds	21	-	-
Unrestricted funds			
General funds	21	(870,283)	(826,439)
Designated funds	21	1,187,240	1,244,231
Total unrestricted funds		316,957	417,792
Total charity funds		316,957	417,792

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The notes on pages 25 to 38 form part of these accounts.

Approved by the trustees and signed on their behalf on 26 January 2022.

Simon Eden
Chair

Simon Eden

The New Theatre Royal - Trustees (Portsmouth) Limited (Company No.: 01266053)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF CASH FLOWS

	2021 £	2020 £
Net cash flow from operating activities (see below)	10,968	(65,104)
Cash flow from investing activities		
Payments to acquire tangible fixed assets	-	(7,974)
Interest received	7	-
Net cash flow from investing activities	7	(7,974)
Net increase/(decrease) in cash and cash equivalents	10,975	(73,078)
Cash and cash equivalents at 1 April 2020	(13,954)	59,124
Cash and cash equivalents at 31 March 2021	(2,979)	(13,954)

Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year	(100,488)	(4,284,829)
Adjusted for:		
Interest receivable	(7)	-
Taxation recoverable	(347)	18,504
Depreciation and impairment of tangible fixed assets	56,992	4,151,811
Decrease/(increase) in stock	-	1,818
Decrease/(increase) in debtors	(57,466)	20,450
Increase/(decrease) in creditors	112,284	27,142
	111,456	4,219,725
Net cash flow from operating activities (see above)	10,968	(65,104)

Analysis of changes in net debt	At 1 Apr 2020	Cash flows	Other non-cash changes	At 31 March 2021
Cash and cash equivalents				
Cash at bank and in hand	1,832	4,955	-	6,787
Bank overdraft repayable on demand	(15,786)	6,020	-	(9,766)
Cash and cash equivalents at 31 March 2020	(13,954)	10,975	-	(2,979)

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

The New Theatre Royal - Trustees (Portsmouth) Limited is an incorporated charity, limited by guarantee, incorporated in England with the company number 01266053. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

Subsidiary undertakings

During the year under review and the comparative year the charity had a wholly owned subsidiary undertaking, NTR Trading Limited. The results of NTR Trading Limited are not consolidated into these accounts on the basis it was dormant for both years and is therefore not significant to the group.

NTR Trading Limited is a company, limited by shares, incorporated in England with the company number 2911289. The New Theatre Royal - Trustees (Portsmouth) Limited owns 100% of the 2 £1 ordinary shares of NTR Trading Limited. The trading subsidiary's registered office is the same as The New Theatre Royal - Trustees (Portsmouth) Limited and detailed on the charity information page of these financial statements.

NTR Trading Limited is exempt from the requirements of Companies Act 2006 relating to the audit of its individual accounts by virtue of section 477. At 31 March 2018 the aggregate capital and reserves of NTR Trading Limited was £2, with no profit or loss for the year then ended.

Incoming resources

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

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income in the form of bank interest is recognised as the charity's right to receive payment is established.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Resources expended

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

Staff costs, support costs and governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Staff costs have been allocated between costs of raising funds, charitable activities and governance costs on the basis of time spent by staff. Support costs cannot be directly attributed to particular headings and have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated to charitable activities on the best estimate of the use of those resources.

Governance costs are costs associated with the general running of the charity as opposed to the day-to-day activities. Governance costs have been allocated to cost of charitable activities on the basis they form part of carrying out those activities.

Allocation of support costs and governance costs

Support costs and governance costs are allocated to the different activities within expenditure on charitable activities on the basis of the number of clients involved in each activity.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised on the same basis as expenditure as outlined above.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

Tax

The charity is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no income tax is payable on the charity's activities.

VAT

The Charity is registered for VAT and operates on a standard basis. Costs are recorded net of VAT within the SOFA.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment - 15 years
- Fixtures and fittings - 5 years
- Freehold buildings - 50 years

Investments

Fixed asset investments comprise the entire share capital of the charity's subsidiary trading company, NTR Trading Limited. The investment is valued at cost on the basis there is no available fair value for the share capital.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable | payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

Fund accounting

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the note 19 of these financial statements.

Designated funds

Unrestricted designated funds are funds used, or set aside for use, for specific purposes at the discretion of the trustees.

Unrestricted funds

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

Going concern

The financial statements have been prepared on a going concern basis. Note 20 explains that there remains a material uncertainty whether ACE will be providing any further grant repayments. The trustees have yet to achieve a satisfactory outcome to their discussions and identify suitable alternative sources of funding. The Theatre currently has an adequate cash balance for its immediate needs although failure to find a resolution might require the Theatre to close.

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NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds		Restricted Funds	2021
	General	Designated	Funds	Total Funds
	£	£	£	£
Donations	23,517	-	-	23,517
Gift aid receivable	-	-	-	-
Grants receivable	-	-	-	-
Portsmouth City Council	77,000	-	-	77,000
Arts Council England	-	-	-	-
CJRS & other Covid-19 grants	108,419	-	-	108,419
Other grants	4,800	-	-	4,800
	213,736	-	-	213,736

	Unrestricted Funds		Restricted Funds	2020
	General	Designated	Funds	Total Funds
	£	£	£	£
Donations	16,952	-	-	16,952
Gift aid receivable	1,180	-	-	1,180
Grants receivable	-	-	-	-
Portsmouth City Council	77,000	-	-	77,000
Arts Council England	249,950	-	-	249,950
CJRS & other Covid-19 grants	-	-	-	-
Other grants	-	-	-	-
	345,082	-	-	345,082

2. Other trading activities

	Unrestricted Funds		Restricted Funds	2021
	General	Designated	Funds	Total Funds
	£	£	£	£
Rental and hire income	9,333	-	-	9,333
	9,333	-	-	9,333

	Unrestricted Funds		Restricted Funds	2020
	General	Designated	Funds	Total Funds
	£	£	£	£
Rental and hire income	11,145	-	-	11,145
	11,145	-	-	11,145

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

3. Investments

	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£	£	£	£
Bank interest receivable	7	-	-	7
	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u><u>7</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>7</u></u>
				2020
	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£	£	£	£
Bank interest receivable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

4. Charitable activities

	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£	£	£	£
Ticket income	3,577	-	-	3,577
Community activity income	-	-	-	-
Project income	-	-	-	-
Merchandise income	-	-	-	-
Hire of theatre	(5,000)	-	-	(5,000)
Other income	312	-	-	312
Bar and catering income	(10)	-	-	(10)
	<u>(1,121)</u>	<u>-</u>	<u>-</u>	<u>(1,121)</u>
	<u><u>(1,121)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>(1,121)</u></u>
				2020
	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£	£	£	£
Ticket income	525,927	-	-	525,927
Community activity income	438	-	-	438
Project income	83	-	-	83
Merchandise income	1,146	-	-	1,146
Hire of theatre	60,373	-	-	60,373
Other income	19,268	-	-	19,268
Bar and catering income	100,618	-	-	100,618
	<u>707,853</u>	<u>-</u>	<u>-</u>	<u>707,853</u>
	<u><u>707,853</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>707,853</u></u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

5. Other income

	Unrestricted Funds		Restricted Funds	2021
	General	Designated		Total Funds
	£	£	£	£
Other income and provisions no longer required	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
				2020
	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£	£	£	£
Other income and provisions no longer required	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

6. Raising funds

	Unrestricted Funds		Restricted Funds	2021
	General	Designated		Total Funds
	£	£	£	£
Seeking donations and fundraising events	435	-	-	435
	<u>435</u>	<u>-</u>	<u>-</u>	<u>435</u>
	<u><u>435</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>435</u></u>
				2020
	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£	£	£	£
Seeking donations and fundraising events	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

7. Charitable activities

	2021		2020	
	Theatre performance £	Total Funds £	Theatre performance £	Total Funds £
Artistic and outreach activity	4,134	4,134	532,043	532,043
Box office and front of house	13,263	13,263	46,627	46,627
Bar and catering costs	89	89	46,153	46,153
Merchandise costs	-	-	2,913	2,913
Marketing and advertising	867	867	66,551	66,551
Depreciation	56,991	56,991	4,151,811	4,151,811
Support costs (see note 8)	235,904	235,904	486,431	486,431
Governance costs (see note 8)	10,760	10,760	15,292	15,292
	322,008	322,008	5,347,821	5,347,821
General funds	265,017	265,017	1,196,010	1,196,010
Designated funds	56,991	56,991	4,151,811	4,151,811
	322,008	322,008	5,347,821	5,347,821

8. Support and governance costs

	Costs of generating voluntary income			2021
	£	Charitable activities £	Governance £	Total Funds £
Staff costs	-	155,889	-	155,889
Premises	-	45,740	-	45,740
Communications and IT	-	13,709	-	13,709
Legal and professional	-	8,600	-	8,600
Travel	-	11	-	11
Advertising and printing	-	(18)	-	(18)
Accountancy	-	-	9,260	9,260
Audit fees - current year	-	-	1,500	1,500
Finance charges	-	11,973	-	11,973
	-	235,904	10,760	246,664
Unrestricted general funds	-	235,904	10,760	246,664
Unrestricted designated funds	-	-	-	-
Restricted funds	-	-	-	-
	-	235,904	10,760	246,664

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

Support and governance costs (continued)

	Costs of generating voluntary income			Charitable activities		2020	
					Governance	Total Funds	
	£	£	£	£	£	£	£
Staff costs	-	288,502	-	-	-	-	288,502
Premises	-	139,526	-	-	-	-	139,526
Communications and IT	-	28,414	-	-	-	-	28,414
Legal and professional	-	10,033	-	-	-	-	10,033
Travel	-	3,411	-	-	-	-	3,411
Advertising and printing	-	1,369	-	-	-	-	1,369
Accountancy	-	-	10,420	-	-	-	10,420
Audit fees - current year	-	-	4,872	-	-	-	4,872
Audit fees - prior year	-	-	-	-	-	-	-
Finance charges	-	15,176	-	-	-	-	15,176
	-	486,431	15,292				501,723
Unrestricted general funds	-	486,431	15,292	-	-	-	501,723
Unrestricted designated funds	-	-	-	-	-	-	-
Restricted funds	-	-	-	-	-	-	-
	-	486,431	15,292				501,723

9. Auditor's remuneration

	Unrestricted Funds		Restricted Funds	2021	
	General	Designated		Total Funds	
	£	£	£	£	£
Auditors remuneration - audit	1,500	-	-	-	1,500

	Unrestricted Funds		Restricted Funds	2020	
	General	Designated		Total Funds	
	£	£	£	£	£
Auditors remuneration - audit	4,872	-	-	-	4,872

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

10. Tax on activities

	2021			Total Funds £
	Unrestricted Funds		Restricted Funds	
	General £	Designated £	£	
Tax recoverable - Theatre Tax Relief	(347)	-	-	(347)

	2020			Total Funds £
	Unrestricted Funds		Restricted Funds	
	General £	Designated £	£	
Tax recoverable - Theatre Tax Relief	18,504	-	-	18,504

11. Wages and salary cost

	2021	2020
	Total Funds £	Total Funds £
Gross wages	158,442	303,115
Employer's national insurance costs	11,524	22,879
Employer's pension contributions	2,514	4,198
	172,480	330,192

Staff numbers:

Average head count	22	29
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There were no employees with employee benefits above £60,000 in this or the preceding year.

Pension Scheme

The charity operates a defined contribution plan for the benefit of its employees. Contributions payable to the scheme for the year under review amounted to £2,514 (2020: £4,198). At the balance sheet date, nothing was payable in respect of these contributions.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

12. Related party transactions

There are no related party transactions.

None of the other trustees were remunerated or received other benefits during the year under review or the comparative year from employment with the charity. No other trustees were reimbursed expenses or had expenses paid on their behalf in the year under review or the comparative year.

During the year under review the charity's key management personnel received employee benefits totalling £98,523 (2020: £120,342). In addition, they had travel and subsistence expenses reimbursed at cost only where these were wholly necessary for their roles.

There were no other transactions with related parties that require disclosure in the financial statements

13. Fixed assets

	Freehold property £	Theatre equipment £	Fixtures & fittings £	TOTAL £
Cost				
Brought forward	5,434,065	735,723	150,877	6,320,665
Additions	-	-	-	-
Disposals	-	-	-	-
Carried forward	5,434,065	735,723	150,877	6,320,665
Depreciation				
Brought forward	4,734,065	241,836	142,933	5,118,834
Charge for the year	-	49,048	7,944	56,992
On disposals	-	-	-	-
Carried forward	4,734,065	290,884	150,877	5,175,826
Net book value carried forward	700,000	444,839	-	1,144,839
Net book value brought forward	700,000	493,887	7,944	1,201,831

There were no additions during the year.

A disposal of the freehold property was agreed with Portsmouth City Council for a price of £700,000, in line with professional valuations instructed by the company, which completed after the balance sheet date on 25th August 2021. An adjustment through an exceptional depreciation charge of £4.07m was made in the 2019/20 accounts to ensure the net book value of the property sold equated to the sale price. Having done that, it is not necessary to make a depreciation charge in these accounts.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

14. Investments – subsidiary undertakings

	2021- Dormant			2020 - Dormant		
	Ordinary share capital	Net assets		Ordinary share capital	Net assets	
	%	£	£	%	£	£
NTR Trading Limited (CRN. 2911289)	100	2	2	100	2	2

As the subsidiary does not have any assets and does not trade, the trustees filed an application at Companies House on 23 November 2021 to strike it off the register.

15. Stock

	2021	2020
	£	£
Bar, café and ice cream stock	2,500	2,500
Stocks recognised as an expense	-	-

16. Debtors

	2021	2020
	£	£
Trade debtors	653	(990)
Tax debtors	83,505	26,244
Prepayments and accrued income	3,024	4,462
	87,182	29,716

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

17. Creditors: Amounts payable within one year

	2021	2020
	£	£
Trade creditors	430,857	76,644
Amounts due to NTR Trading Limited	2	2
Accruals	19,052	303,989
Deferred income (see below)	240,558	225,457
Taxation and social security	33,571	5,383
Bank overdrafts	9,766	15,786
Other creditors	547	828
Loans	40,000	-
	<u>774,353</u>	<u>628,089</u>

	Brought forward	Released in year	Deferred in year	Carried forward
Ticket sales in advance	<u>225,457</u>	<u>(3,577)</u>	<u>18,678</u>	<u>240,558</u>

18. Contingent liability

At the balance sheet date, there are no known matters for which it would be appropriate to include a liability in these accounts or make reference to them in this note. The capital costs for the Theatre development mentioned in the previous accounts has now crystallised into a certain liability.

19. Creditors: Amounts payable in more than one year

	2021	2020
	£	£
Loans	<u>150,000</u>	<u>190,000</u>
Analysed as payable: 2-5 years	<u>150,000</u>	<u>190,000</u>

A loan of £40,000 was repaid upon the sale of the property in August 2021 and has accordingly been reclassified as a creditor payable in less than one year in Note 17.

NOTES TO THE FINANCIAL STATEMENTS

20. Post balance sheet events and material uncertainties relating to going concern

During the entire financial year of 2020-21, the Theatre was required by Government to remain closed in response to the Covid-19 pandemic. It gradually re-opened during Summer 21 and currently is operating closer to levels experienced before this period.

The closure led to immediate financial pressures resulting from being obligated to account to customers who had bought tickets and to promoters. These pressures were exacerbated by the receipt of a claim from the University of Portsmouth and the decision of Arts Council England to withhold grants that would have been paid from April 2020 onwards.

The trustees subsequently reached agreement with Portsmouth City Council for a sale of the Theatre building for £700,000 and leaseback for a peppercorn rent. This was completed on 25 August 2021.

At the same time, the trustees reached agreement with the University to settle the claim on a compromise of 30% of the amount claimed. The funds from the property sale were used to pay this settlement in full, along with all other claims that were overdue and all those ticketholders requiring a refund. This left a sum of around £250-300k that is adequate for immediate operating needs.

At the date of signing these accounts, the trustees have yet to reach agreement with Art Council England to enable the funds, ordinarily payable under the National Portfolio Organisation status but withheld since April 2020, to be released and discussions are continuing. The amounts withheld that would normally have accrued during the financial year being reported is £249,950. If these grants are not released or replaced by another source of funding yet to be identified, the Theatre will use up the sale proceeds of the property later in 2022.

Moreover, ACE has just advised the Theatre that as well as continuing to withhold payment for past NPO grant, it will not be receiving any grant for the financial year 2022/23. Applications for the next five-year period of NPO status are to be submitted early in 2022 and there is inevitably uncertainty whether any application from the Theatre will be successful.

It is not tenable for a theatre of this type to operate to a programme that its supporters want without some degree of external funding. Unless ACE reverses its stance or other arrangements can be secured during the course of early 2022, the trustees could potentially be forced the trustees to close the theatre sooner than later before the existing cash resources are expended.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

21. Analysis of net assets between funds

	As at 31 March 2021				2020 Total funds £
	Unrestricted funds		Restricted funds	Total funds £	
	General	Designated			
Fixed assets	2	1,144,839	-	1,144,841	1,201,833
Net current assets/(liabilities)	(1,020,285)	42,400	2,624	(975,261)	(974,041)
Non-current liabilities	150,000	-	-	150,000	190,000
	(870,283)	1,187,239	2,624	319,580	417,792

	As at 31 March 2020				2019 Total funds £
	Unrestricted funds		Restricted funds	Total funds £	
	General	Designated			
Fixed assets	2	1201831	0	1,201,833	5,155,969
Net current assets/(liabilities)	-1016441	42400	0	(974,041)	(321,852)
Non-current liabilities	190000	0	0	190,000	(150,000)
	(826,439)	1,244,231	-	417,792	4,684,117

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

22. Analysis of movement in funds – Group

	Year to 31 March 2021					
	Total funds brought forward	Total incoming resources	Total resources expended	Transfers between funds	Tax on activities	Total funds carried forward
	£	£	£	£	£	£
Restricted funds						
Back Lot fund	-	-	-	-	-	-
Unrestricted funds						
Designated funds						
Fixed asset reserve	1,201,831	-	(56,991)	-	-	1,144,840
Capital works	42,400	-	-	-	-	42,400
Total designated funds	1,244,231	-	(56,991)	-	-	1,187,240
General reserves	(826,439)	221,955	(265,452)	-	(347)	(870,283)
Total unrestricted funds	417,792	221,955	(322,443)	-	(347)	316,957
Total funds	417,792	221,955	(322,443)	-	(347)	316,957

Transfers

The amount of £Nil from the unrestricted general funds to the fixed asset reserve represents the additions to fixed assets in the year.

	Year to 31 March 2020					
	Total funds brought forward	Total incoming resources	Total resources expended	Transfers between funds	Tax on activities	Total funds carried forward
	£	£	£	£	£	£
Restricted funds						
Back Lot fund	2,624	-	-	(2,624)	-	-
Unrestricted funds						
Designated funds						
Fixed asset reserve	5,155,967	-	(4,151,811)	197,675	-	1,201,831
Capital works	42,400	-	-	-	-	42,400
Total designated funds	5,198,367	-	(4,151,811)	197,675	-	1,244,231
General reserves	(516,874)	1,064,080	(1,197,098)	(195,051)	18,504	(826,439)
Total unrestricted funds	4,681,493	1,064,080	(5,348,909)		18,504	417,792
Total funds	4,684,117	1,064,080	(5,348,909)		18,504	417,792

Transfers

The amount of £197,675 from the unrestricted general funds to the fixed asset reserve represents the additions to fixed assets in the year.

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

23. Description of funds

Restricted funds

Back Lot funds Funds received from appeals, Arts Council England, Heritage Lottery Fund, Partnership for Urban South Hampshire and the Garfield Weston Foundation for use in developing the back lot.

Designated funds

Fixed asset reserve Funds representing the net book value of fixed assets held by the charity.

Capital works Funds set aside by the trustees, in 2016-17 financial year, for the completion of the capital works to the building.

24. Financial instruments

	2021	2020
	Total funds	Total funds
	£	£
Financial assets		
Debt instruments measured at amortised cost:		
Share capital investment in NTR Trading Limited	2	2
Trade debtors	(990)	(990)
	<u>(988)</u>	<u>(988)</u>
Financial liabilities		
Measured at amortised cost:		
Trade creditors	76,644	76,644
	<u>76,644</u>	<u>76,644</u>

THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

25. Previous year statement of financial activities

		Unrestricted Funds		Restricted	2020	2019
	Note	General	Designated	Funds	Total Funds	Total Funds
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:-						
Donations and legacies	1	345,082	-	-	345,082	343,134
Other trading activities	2	11,145	-	-	11,145	3,995
Investments	3	-	-	-	-	-
Charitable activities	4	707,853	-	-	707,853	709,345
Other	5	-	-	-	-	-
Total		1,064,080	-	-	1,064,080	1,056,474
EXPENDITURE ON:-						
Raising funds	6	1,088	-	-	1,088	469
Charitable activities	7	1,196,010	4,151,811	-	5,347,821	1,377,258
Total		1,197,098	4,151,811	-	5,348,909	1,377,727
Net income/(expenditure)		(133,018)	(4,151,811)	-	(4,284,829)	(321,253)
Gross transfers between funds	21	(195,051)	197,675	(2,624)	-	-
Tax on activities	10	18,504	-	-	18,504	16,234
Net movement in funds		(309,565)	(3,954,136)	(2,624)	(4,266,325)	(305,019)
RECONCILIATION OF FUNDS						
Total funds brought forward		(516,874)	5,198,367	2,624	4,684,117	4,989,136
Total funds carried forward		(826,439)	1,244,231	-	417,792	4,684,117