

# 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

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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

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## CHARITY INFORMATION

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<b>REGISTERED CHARITY NAME</b>	The New Theatre Royal - Trustees (Portsmouth) Limited
<b>CHARITY NUMBER</b>	271976
<b>COMPANY REGISTRATION NUMBER</b>	01266053
<b>PRINCIPAL AND REGISTERED OFFICE</b>	New Theatre Royal 20—24 Guildhall Walk Portsmouth Hampshire P01 2DD
<b>TRUSTEES (at date of signing)</b>	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
<b>SECRETARY</b>	None
<b>KEY MANAGEMENT PERSONNEL</b>	Sheena Hulme (Operations Director)
<b>AUDITOR</b>	Blue Spire Limited Cawley Priory South Pallant Chichester West Sussex P019 1SY
<b>BANKERS</b>	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**

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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

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## TRUSTEES' REPORT

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### 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

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## TRUSTEES' REPORT

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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

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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

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## TRUSTEES' REPORT

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

<b>1 - Reach</b>	
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 (based on Audience Spectrum)	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

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### 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

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## 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	
<b>Grand Total</b>	<b>154.9</b>	<b>597.1</b>	<b>729.2</b>	<b>876.5</b>	<b>822.0</b>	<b>198.6</b>	<b>326.9</b>	<b>994.8</b>
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

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### 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

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- 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

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### 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

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### **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

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### 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

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### 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

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- 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
		£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:-</b>					
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
<b>EXPENDITURE ON:-</b>					
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
<b>Net income/(expenditure)</b>		<b>(104,071)</b>	<b>(49,989)</b>	<b>(154,060)</b>	<b>(100,488)</b>
Gross transfers between funds	21	691,695	(691,695)	-	-
Tax on activities	10	-	-	-	(347)
<b>Net movement in funds</b>		<b>587,624</b>	<b>(741,684)</b>	<b>(154,060)</b>	<b>(100,835)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		(870,283)	1,187,240	316,957	417,792
<b>Total funds carried forward</b>		<b>(282,659)</b>	<b>445,556</b>	<b>162,897</b>	<b>316,957</b>

# 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 £
<b>FIXED ASSETS</b>			
Tangible assets	13	403,156	1,144,839
Investments - subsidiary undertakings	14	-	2
<b>Total fixed assets</b>		<b>403,156</b>	<b>1,144,841</b>
<b>CURRENT ASSETS</b>			
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
<b>Total current assets</b>		<b>269,226</b>	<b>96,469</b>
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	17	(359,485)	(774,353)
<b>Net current assets/(liabilities)</b>		<b>(90,259)</b>	<b>(677,884)</b>
<b>Total assets less current liabilities</b>		<b>312,897</b>	<b>466,957</b>
Creditors: Amounts falling due after more than one year	18	(150,000)	(150,000)
<b>Total assets/(liabilities)</b>		<b>162,897</b>	<b>316,957</b>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Unrestricted funds</b>			
General funds	21	(282,659)	(870,283)
Designated funds	21	445,556	1,187,240
<b>Total unrestricted funds</b>		<b>162,897</b>	<b>316,957</b>
<b>Total charity funds</b>		<b>162,897</b>	<b>316,957</b>

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

### Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
<b>Net income for the year</b>	<b>(154,060)</b>	<b>(100,488)</b>
<b>Adjusted for:</b>		
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
	<b>(295,967)</b>	<b>111,456</b>
<b>Net cash flow from operating activities (see above)</b>	<b>(450,027)</b>	<b>10,968</b>

Analysis of changes in net debt				
	At 1 Apr 2021	Cash flows	Other non-cash changes	At 31 March 2022
<b>Cash and cash equivalents</b>				
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)
<b>Total</b>	<b>(2,979)</b>	<b>(458,330)</b>	<b>700,000</b>	<b>238,691</b>

# THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## ACCOUNTING POLICIES

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### 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

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### 1. Donations and legacies

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

  

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

# THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## NOTES TO THE FINANCIAL STATEMENTS

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### 2. Other trading activities

	2022	
	Unrestricted Funds	Total Funds
	General      Designated	
	£	£
Rental and hire income	14,179	-
	<u>14,179</u>	<u>-</u>
	<u><u>14,179</u></u>	<u><u>14,179</u></u>
2021		
	Unrestricted Funds	Total Funds
	General      Designated	
	£	£
Rental and hire income	9,333	-
	<u>9,333</u>	<u>-</u>
	<u><u>9,333</u></u>	<u><u>9,333</u></u>

### 3. Investments

	2022	
	Unrestricted Funds	Total Funds
	General      Designated	
	£	£
Bank interest receivable	3	-
	<u>3</u>	<u>-</u>
	<u><u>3</u></u>	<u><u>3</u></u>
2021		
	Unrestricted Funds	Total Funds
	General      Designated	
	£	£
Bank interest receivable	7	-
	<u>7</u>	<u>-</u>
	<u><u>7</u></u>	<u><u>7</u></u>

# THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## NOTES TO THE FINANCIAL STATEMENTS

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### 4. Charitable activities

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

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

  

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

### 6. Raising funds

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

  

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

# 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
	<b>793,011</b>	<b>793,011</b>	<b>322,008</b>	<b>322,008</b>
General funds	743,022	743,022	265,017	265,017
Designated funds	49,989	49,989	56,991	56,991
	<b>793,011</b>	<b>793,011</b>	<b>322,008</b>	<b>322,008</b>

### 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
	<b>-</b>	<b>405,882</b>	<b>10,634</b>	<b>416,516</b>
Unrestricted general funds	-	405,882	10,634	416,516
	<b>-</b>	<b>405,882</b>	<b>10,634</b>	<b>416,516</b>

# 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
	-	<b>235,904</b>	<b>10,760</b>	<b>246,664</b>
Unrestricted general funds	-	235,904	10,760	246,664
	-	<b>235,904</b>	<b>10,760</b>	<b>246,664</b>

### 9. Auditor's remuneration

			2022
	Unrestricted Funds General	Designated	Total Funds
	£	£	£
Auditors remuneration - audit	2,529	-	2,529

			2021
	Unrestricted Funds General	Designated	Total Funds
	£	£	£
Auditors remuneration - audit	1,500	-	1,500

# 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

	2022	
	Unrestricted Funds	Total Funds
	General £	Designated £
Tax recoverable - Theatre Tax Relief	-	-
	2021	
	Unrestricted Funds	Total Funds
	General £	Designated £
Tax recoverable - Theatre Tax Relief	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
	<b>239,574</b>	<b>172,460</b>
<b>Staff numbers:</b>		
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 £
<b>Cost</b>				
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)
<b>Carried forward</b>	<b>-</b>	<b>741,130</b>	<b>153,776</b>	<b>894,906</b>
<b>Depreciation</b>				
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)
<b>Carried forward</b>	<b>-</b>	<b>340,293</b>	<b>151,457</b>	<b>491,750</b>
<b>Net book value carried forward</b>	<b>-</b>	<b>400,837</b>	<b>2,319</b>	<b>403,156</b>
<b>Net book value brought forward</b>	<b>700,000</b>	<b>444,839</b>	<b>-</b>	<b>1,144,839</b>

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

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### 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
	<b>27,348</b>	<b>87,182</b>

### 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
	<b>359,485</b>	<b>774,353</b>

# THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## NOTES TO THE FINANCIAL STATEMENTS

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	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

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## 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

<b>As at 31 March 2022</b>				
	<b>Unrestricted funds</b>		<b>Total funds</b>	<b>2021</b>
	<b>General</b>	<b>Designated</b>		<b>Total funds</b>
			<b>£</b>	<b>£</b>
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)
	<b>(282,659)</b>	<b>445,556</b>	<b>162,897</b>	<b>316,957</b>

  

<b>As at 31 March 2021</b>				
	<b>Unrestricted funds</b>		<b>Total funds</b>	<b>2020</b>
	<b>General</b>	<b>Designated</b>		<b>Total funds</b>
			<b>£</b>	<b>£</b>
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)
	<b>(870,282)</b>	<b>1,187,239</b>	<b>316,957</b>	<b>417,792</b>

# 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 £
<b>Unrestricted funds</b>						
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
<b>Total funds</b>	<b>316,957</b>	<b>639,098</b>	<b>(793,158)</b>	<b>-</b>	<b>-</b>	<b>162,897</b>

#### 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 £
<b>Unrestricted funds</b>						
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
<b>Total funds</b>	<b>417,792</b>	<b>221,955</b>	<b>(322,443)</b>	<b>-</b>	<b>(347)</b>	<b>316,957</b>

# THE NEW THEATRE ROYAL - TRUSTEES (PORTSMOUTH) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## NOTES TO THE FINANCIAL STATEMENTS

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

# 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 Funds	2021 Total Funds	2020 Total Funds
	General £	Designated £	£	£	£
<b>INCOME AND ENDOWMENTS FROM:-</b>					
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	-	-	-	-	-
<b>Total</b>	<b>221,955</b>	<b>-</b>	<b>-</b>	<b>221,955</b>	<b>1,064,080</b>
<b>EXPENDITURE ON:-</b>					
Raising funds	435	-	-	435	1,088
Charitable activities	265,017	56,991	-	322,008	5,347,821
<b>Total</b>	<b>265,452</b>	<b>56,991</b>	<b>-</b>	<b>322,443</b>	<b>5,348,909</b>
<b>Net income/(expenditure)</b>	<b>(43,497)</b>	<b>(56,991)</b>	<b>-</b>	<b>(100,488)</b>	<b>(4,284,829)</b>
Gross transfers between funds			-	-	-
Tax on activities	(347)	-	-	(347)	18,504
<b>Net movement in funds</b>	<b>(43,844)</b>	<b>(56,991)</b>	<b>-</b>	<b>(100,835)</b>	<b>(4,266,325)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	(826,439)	1,244,231	-	417,792	4,684,117
<b>Total funds carried forward</b>	<b>(870,283)</b>	<b>1,187,240</b>	<b>-</b>	<b>316,957</b>	<b>417,792</b>