11Arches
(A Charitable Company Limited by Guarantee)

Annual Report

For the year ended
31 December 2025

Company Number 09055646
Charity Number 1159011

SATURDAY
AFBFDCZD
A40 26/09/2026 #68
COMPANIES HOUSE

Report of the Trustees for the year ended 31 December 2025

Reference and administrative information

Trustees

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

Key management personnel at 31 December 2025

A Warnecke	Chief Executive Officer	
G Emerson	Chief Technical Officer	
M Slavin	Chief Operating Officer	(Resigned September 2025)

Registered office and Principal place of business

Flatts Farm
Toronto
Bishop Auckland
County Durham
DL14 7SF

Charity number

1159011

Company number

09055646 (England & Wales)

Auditor

RSM UK Audit LLP
1 St James Gate
Newcastle upon Tyne
NE1 4AD

Principal bankers

Barclays Bank Plc
6 Market Place
Durham
Co Durham
DH1 3NB

The trustees (who are also directors of the charity for the purpose of company law) present their annual report and audited financial statements of 11Arches (the charity) for the 12 months ended 31 December 2025.

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

Structure, Governance and Management Governing Documents

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

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

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

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

S Hall (Chair)

J Ruffer

L Greig

K Eld

N White

L Fairclough

D Barrie

Appointment, Induction and Training of Trustees
The management of the charity is the responsibility of the trustees. New trustees will be selected by existing trustees and will be appointed by Members of the charity. Each trustee, as a member, is a guarantor of the charity to an amount not exceeding £1 in the event of the charity being wound up.
New trustees undergo orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Objectives and Activities
11Arches creates large-scale live experiences that bring history to life, supported by programmes in education, conservation and community participation. Together with sister charity The Auckland Project, 11Arches supports the ambition to establish Bishop Auckland as a leading visitor destination, attracting visitors and investment for the benefit of the local community.

Mission Statement
To bring history to life through outstanding live experiences that educate and inspire, strengthen communities and contribute to the regeneration of Bishop Auckland and the wider North East.

Objectives
Sustain and strengthen Kynren – An Epic Tale of England as a world-class, must-see visitor experience, delivering technical and artistic excellence through its skilled volunteer cast and crew. Secure Kynren's long-term future by preparing for the successful launch of Kynren – The Storied Lands in 2026 and developing the daytime offer over the following five seasons, alongside the continued growth of the night show.
Provide high-quality volunteering and training opportunities that build skills, confidence and community pride.
Contribute to increased tourism, employment and investment, generating lasting social and economic benefits for Bishop Auckland and the wider region.

Activities
During 2025, 11Arches staged nine performances of Kynren – An Epic Tale of England, delivered its annual Pyromusical and hosted the launch of the Stockton and Darlington Railway 200th anniversary. The charity also continued preparations for the 2026 opening of Kynren – The Storied Lands.

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

11Arches Construction Limited, incorporated on 12/09/2025 is the wholly owned subsidiary of 11Arches. It was dormant during the year ended 31/12/2025, and its principal activity will be the commissioning and managing construction projects and building works on behalf of the Sole Shareholder and to carry on a general commercial business.

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

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

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

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

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

GROUP STRATEGIC REPORT
Season Review: achievements and performance for the year.
Kynren's 10th anniversary season delivered its strongest performance since 2019, exceeding budgeted attendance and building strong momentum for the launch of *Kynren – The Storied Lands* in 2026.

The 2025 campaign was designed as a bridge year, sustaining growth while building anticipation for 2026's transformation. Despite what was a challenging season across the visitor attraction sector, Kynren sustained and grew its audiences.

Mindful of the cost-of-living crisis being endured by many and the continued impact of world events, our ticket sales of 48,848 (43,991 in 2024) and our average per secondary spend of £13.69 (£13.34 in 2024) was a great achievement. Visits from our travel trade partners increased by 20% to 4,014.

Dominant markets were North East (60%) and Yorkshire (15%).

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

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

2025 again saw a push into recruitment of new volunteers with 3 very successful open call evenings for introductions. This brought 150 fantastic new Archers into our ranks, strengthening our community with new energy.

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

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

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

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

The success achieved to date provides solid foundations on which to build, but the development of Kynren - The Storied Lands opens in 2026, the day park will be open 6 days a week creating jobs for the community and encouraging visitor spend in the local area. Kynren will grow to generate truly significant regional benefits: generating additional revenue and creating jobs.

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

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

For 11Arches to open a world class day park visitor attraction, Kynren – The Storied Lands. Showcasing British history through live action stunt show performances and immersive experiences. The day park will be extended year on year up to 2032 to include new immersive attractions.

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

The risks and uncertainties were identified as follows:

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

Management maintains a risk register as a live document assessing all current risks for the group for its eleventh year of production and the addition of the day park across all departments.
It identifies the major risks the group faces, the likelihood of occurrence, the potential impact of the risk, as well as any mitigation in place. It proactively seeks to identify and actions and resources necessary to manage these risks and reduce the risk profile of the organisation.
The Trustee Board is responsible for the oversight of the risks the group faces. The Trustee Board regularly reviews the group risk position, internal controls and compliance with relevant statutory and governance regulations.

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

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

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

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

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

Impact Value
11Arches researched the extent to which the Kynren experience, since it's inception, has helped to advance its aims of education and community development. Our Social and Economic Impact report, The Spirit of Kynren was commissioned to look at the impact of the project on the people, communities and the economy of the North East of England.

The findings show we have had over 440,000 visitors already to *Kynren – An Epic Tale of England* and 3.3million visitors forecast over the next 5 years with the addition of *Kynren – The Storied Lands*. We will become a major local employer with more than 345 staff by 2030. Our award winning Kynren Archers volunteer programme offers high quality training including heritage skills, with diverse skilled roles from cast members to stunt horse riding and scuba diving.

Kynren is committed to conservation, running a conservation breeding programme for critically endangered vultures, offering innovative research and practices in state of the art facilities. Collaborating with leading expert organisations to develop research and conservation breeding programmes for declining bird species locally, across the UK and around the world.

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

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

From the second season onward, motivations have become more diverse, as the show was now a tangible fact, something many had seen before joining, and the Kynren experience was articulated by a first year of veterans. Existing Archers from the first season were strong advocates and endorsed a bigger role front line in the recruitment of future seasons. The group places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly from the considerable time, energy and expertise given by the Board of Trustees. Placing a monetary value on the contribution of the volunteers presents significant difficulties. With the lack of a market comparator price for general volunteers, it is impractical for their contribution to be measured reliably for accounting purposes. Given the absence of a reliable measurement basis, the contribution of volunteers has not been included as income in the accounts.

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

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

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

Diversity and social capital
The Archers are a diverse group with different social, cultural, and family backgrounds and different life experiences, outlooks, and aspirations. Nearly 85% of Archers in 2025 live in Bishop Auckland and surrounding area with 10.5% living elsewhere in the North East and in a few cases, further afield. The diversity of the company has been one of its strengths: people have worked alongside people they would be unlikely to meet socially or at work; they have spent significant amounts of time together in a shared enterprise; they have learned about each other and from each other; they have formed lasting bonds and friendships and they have continued to meet (in some cases weekly) well after the show ended in September. In addition to their feelings of responsibility towards Kynren and 11Arches, Archers are now describing a sense of agency, which underlines the extent to which the charity is building social capital.

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

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

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

Financial review

Full details of the group's financial position can be found in the accompanying financial statements attached to this report. The Statement of Financial Activities shows total incoming resources of £25,420,139 for the 12 months ended 31 December 2025 (15 months ended 31 December 2024: £10,473,401) and total resources expended of £7,307,861 (15 months ended 31 December 2024: £8,199,750) resulting in a surplus for the 12 month year of £18,112,278 (15 months ended 31 December 2024: £2,273,651 surplus). The increase in donations support our extensive building programme for Kynren - The Storied Land, the building programme will continue until 2032.

The group has net assets at year end of £46,923,544 (31 December 2024: £28,811,266) including available cash and short term investments of £21,193,176 (31 December 2024: £6,687,069).

The charity has net assets at year end of £46,842,287 (31 December 2024: £28,739,125) and available cash and short term investments of £19,536,158 (31 December 2024: £5,517,438). The available cash and short term investments are supporting our extensive building programme in 2026.

The group received a donation of £22 million from Lemprier Pringle 2015 in the year ended 31 December 2025 to support the ongoing activities of Kynren and to expand into a daytime offer. There were additional staff costs including restructuring costs in the prior reporting period.

Key Performance Indicators

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

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

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

11Arches Night Show Limited

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

Reserves Policy

The Directors review the reserve levels annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors have determined the minimum level of unrestricted reserves should be a set amount of approximately £1.5m (2024: £1.5m) based on 4 months of annual expenditure, excluding depreciation and amortisation. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The free reserves as of 31 December 2025, excluding fixed assets and loans are £21,292,111 (31 December 2024: £7,278,729) for the group. This is above the £1.0m minimum level set, and this is to further invest in Kynren - The Story of Us, updating the show to continuously improve the visitor experience. In addition, the funds will allow for the investment in Kynren - The Storied Lands.

Going Concern
There are no material uncertainties in respect of the charity's ability to continue as a going concern based on forecasts in place and committed funding for 2027. The trustees believe the group is well placed to manage its risks successfully and thus have adopted the going concern basis of accounting. This is primarily due to the ongoing support from the co-founder.

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

Disclosure of Information to auditor
In so far as the Trustees are aware:

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

By Order of the Board

Stephen Hall
Chair
22/09/26

Statement of Trustees' Responsibilities for the year ended 31 December 2025

Trustees' responsibilities

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

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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

Independent Auditor's Report to The Trustees of 11Arches

Opinion

We have audited the financial statements of 11Arches (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report prepared for the purposes of company law for the financial year, for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report, included within the Trustees' Report, have been prepared in accordance with applicable legal requirements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

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

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

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

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

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

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

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

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

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

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

Use of our report

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

Lucy Robson

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

Date: 25/09/26

Consolidated statement of financial activities (incorporating income and expenditure account) for the year ended 31 December 2025

	Notes	Unrestricted funds £	Restricted Funds £	Total funds year ended 31 December 2025 £	Total funds Period ended 31 December 2024 £
Income from					
Donations and Legacies	2	21,350,000	798,000	22,148,000	8,060,000
Trading activities	3	2,460,115	-	2,460,115	1,951,145
Investments	4	170,991	-	170,991	170,980
Other	5	641,033	-	641,033	291,276
Total income		24,622,139	798,000	25,420,139	10,473,401
Expenditure on:					
Charitable activities	6	6,589,518	-	6,589,518	7,606,239
Raising funds	6	718,343	-	718,343	593,511
Total expenditure		7,307,861	-	7,307,861	8,199,750
Net income	17	17,314,278	798,000	18,112,278	2,273,651
Transfers between funds		798,000	(798,000)	-	-
Net movement in funds		18,112,278	-	18,112,278	2,273,651
Total funds brought forward		28,811,266	-	28,811,266	26,537,615
Total funds carried forward		46,923,544	-	46,923,544	28,811,266

The notes on pages 19 to 40 form part of these financial statements.

Consolidated and company balance sheets for the year ended 31 December 2025

	Notes	Group 31 December 2025 £	Group 31 December 2024 £	Charity 31 December 2025 £	Charity 31 December 2024 £
Fixed assets					
Intangible assets	9	224,291	291,995	224,291	291,995
Tangible assets	10	25,407,142	21,240,542	25,407,142	21,240,542
Fixed asset investments	11	-	-	11	10
		25,631,433	21,532,537	25,631,444	21,532,547
Current assets					
Stocks	12	87,415	50,237	-	-
Debtors	13	1,300,137	1,248,729	2,732,578	2,217,551
Short term investments		5,000,000	4,500,000	5,000,000	4,500,000
Cash at bank and in hand		16,193,176	2,187,069	14,536,158	1,017,438
		22,580,728	7,986,035	22,268,736	7,734,989
Creditors: Amounts falling within one year	14	(1,288,260)	(706,949)	(1,057,893)	(528,411)
Net current assets		21,292,468	7,279,086	21,210,843	7,206,578
Total assets less current liabilities		46,923,901	28,811,623	46,842,287	28,739,125
Provisions for liabilities	16	(357)	(357)	-	-
Net assets		46,923,544	28,811,266	46,842,287	28,739,125
The funds of the charity					
Unrestricted funds:					
General funds	17	45,800,651	27,688,373	45,719,394	27,616,232
Designated funds	17	1,122,893	1,122,893	1,122,893	1,122,893
Total charity funds		46,923,544	28,811,266	46,842,287	28,739,125

The notes on pages 19 to 40 form part of these financial statements.

Consolidated and company balance sheets for the year ended 31 December 2025

As permitted by Section 408 of the Companies Act 2006, the statement of financial activities of the parent company is not presented as part of these accounts. The parent company's net income for the financial period amounted to a surplus of £18,103,162, of which £17,305,162 (2024: £2,253,820) is unrestricted and £798,000 (2024: £nil) is restricted.

The parent company's net movement in funds for the financial period amounted to a surplus of £18,103,162, of which the full balance is unrestricted.

The financial statements were approved by the Board on 22/09/26 and signed on its behalf by:

S Hall
Chair

The notes on pages 19 to 40 form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 December 2025

	Note	Year ended 31 December 2025 £	Period ended 31 December 2024 £
Cash flows from operating activities	18	21,019,809	4,009,507
Cash flows from investing activities			
Purchase of property, plant and equipment		(6,582,950)	(4,396,346)
Purchase of intangible assets		(110,741)	(1,403)
Proceeds from disposal of tangible assets		8,998	-
Interest received		170,991	170,980
Purchase of short term investments		(500,000)	(4,500,000)
Net cash used in investing activities		(7,013,702)	(8,726,769)
Net cash (used in)/provided by financing activities		-	-
Increase/(decrease) in cash and cash equivalents		14,006,107	(4,717,262)
Cash and cash equivalents at the beginning of the year		2,187,069	6,904,331
Cash and cash equivalents at the end of the year		16,193,176	2,187,069
Relating to:			
Cash at bank and in hand		16,193,176	2,187,069
Total cash and cash equivalents		16,193,176	2,187,069

The notes on pages 19 to 40 form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2025

1 Accounting policies

Company Information

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

Accounting Convention

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

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

The principal accounting policies adopted are set out below.

Basis of Consolidation

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

Going Concern

Budgets have been prepared for the 12 months to December 2027. These incorporate anticipated performances in 2026 and 2027, capital expenditure and further funding. The forecasts show that sufficient funds are available for liabilities to be met as they fall due.

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

Fund Accounting

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

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

1 Accounting policies *(continued)*

Income

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

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

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

Investment income is recognised on a receivable basis.

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

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

Expenditure

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

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

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

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

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

Intangible Fixed Assets

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

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

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

1 Accounting policies *(continued)*

Tangible Fixed Assets

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

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

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

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

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

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

Impairment of Fixed Assets

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

Stocks

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

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

1 Accounting policies *(continued)*

Fixed Asset Investments

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

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

Leasing

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

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

Retirement Benefits

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

Termination Benefits

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

Cash and Cash Equivalents

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

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

Foreign exchange

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

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

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

1 Accounting policies *(continued)*

Financial Instruments

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

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

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

Basic Financial Assets

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

Classification of Financial Liabilities

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

Basic Financial Liabilities

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

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

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

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

1 Accounting policies *(continued)*

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

2 Donations and legacies

	Unrestricted funds	Restricted funds	Year ended 31 December 2025	Period ended 31 December 2024
	£	£	£	£
Donations	21,350,000	798,000	22,148,000	8,060,000
Total 2024	8,060,000	-	8,060,000	-

Notes to the financial statements for the year ended 31 December 2025

3 Income from trading activities

	Unrestricted Funds £	Restricted Funds £	Year ended 31 December 2025 Total £	Period ended 31 December 2024 Total £
Ticket sales	1,812,142	-	1,812,142	1,578,332
Retail income	116,758	-	116,758	80,011
Catering income	385,721	-	385,721	292,802
Events income	145,494	-	145,494	-
	2,460,115	-	2,460,115	1,951,145
Total 2024	1,951,145	-	1,951,145	-

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Year ended 31 December 2025 Total £	Period ended 31 December 2024 Total £
Bank interest	170,991	-	170,991	167,100
Interest on theatre tax relief	-	-	-	3,880
	170,991	-	170,991	170,980
Total 2024	170,980	-	170,980	-

5 Other income

	Unrestricted Funds £	Restricted Funds £	Year ended 31 December 2025 Total £	Period ended 31 December 2024 Total £
Other	6,145	-	6,145	33,891
Theatre tax relief	634,888	-	634,888	257,385
Total	641,033	-	641,033	291,276
Total 2024	291,276	-	291,276	-

Notes to the financial statements for the year ended 31 December 2025

6 Expenditure

Charitable activities

	Unrestricted funds					
	Direct costs £	Staff cost £	Support costs £	Restricted funds £	Year ended 31 December 2025 Total £	Period ended 31 December 2024 Total £
Charitable activities:						
Project costs	1,782,153	-	-	-	1,782,153	1,849,568
Premises costs	-	-	100,012	-	100,012	143,368
Light and heat	-	-	165,291	-	165,291	232,145
Staff costs (note 8)	-	1,217,059	-	-	1,217,059	1,748,068
Office costs	-	-	25,815	-	25,815	49,961
Equipment	-	-	52,509	-	52,509	86,821
Marketing and advertising	-	-	437,115	-	437,115	432,707
Travel costs	-	-	76,436	-	76,436	44,282
Legal and professional fees	-	-	49,470	-	49,470	130,854
Consultancy and subcontractor costs	-	-	-	-	-	17,920
Other costs	-	-	37,567	-	37,567	20,144
Staff development	-	-	10,604	-	10,604	25,022
Staff recruitment	-	-	5,718	-	5,718	52,298
Governance	-	-	38,800	-	38,800	49,700
Depreciation	-	-	2,365,371	-	2,365,371	2,464,367
Amortisation	-	-	199,724	-	199,724	242,310
Loss on disposal of fixed assets	-	-	20,703	-	20,703	6,868
Loss on foreign currency exchange	-	-	5,171	-	5,171	9,836
	1,782,153	1,217,059	3,590,306	-	6,589,518	7,606,239
Total 2024	1,849,568	1,748,068	4,008,603	-	7,606,239	

Raising funds

	Unrestricted General Funds £	Unrestricted Designated Funds £	Year ended 31 December 2025 Total £	Period ended 31 December 2024 Total £
11Arches Night Show Limited	718,343	-	718,343	593,511
Total 2024	593,511	-	593,511	

Notes to the financial statements for the year ended 31 December 2025

7 Net income/(expenditure)

	Year ended 31 December 2025 £	Period ended 31 December 2024 £
Net income/(expenditure) is stated after charging/(crediting):		
Auditor's remuneration: - audit	35,000	28,000
- tax advisory	4,400	4,000
- accountancy	9,000	8,200
Operating lease charges	685	685
Exchange losses/(gains)	5,171	9,836
Depreciation	2,365,371	2,464,367
Amortisation	199,724	242,310

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

	Year ended 31 December 2025 £	Period ended 31 December 2024 £
Staff costs:		
Wages and salaries	1,049,769	1,185,066
Social security costs	116,400	136,373
Other pension costs	29,962	55,868
	1,196,131	1,377,307
Other staff costs	20,928	10,345
Restructuring costs	-	360,416
	1,217,059	1,748,068
Subcontract costs	725,262	930,588
Agency costs	55,853	41,339
	781,115	971,927

	2025 No.	2024 No.
Staff numbers:		
The average number of employees during the year were:		
Management and administration	34	22

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

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

	2025 No.	2024 No.
£70,000 - £79,999	1	-
£80,000 - £89,999	1	-
£110,000 - £119,999	-	1
£170,000 - £179,999	1	1
£430,000 - £439,000	-	1*

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

Trustee remuneration
No trustee received remuneration during the year (2024: £nil) and no trustee received payment for professional or other services supplied to the charity (2024: £nil).

The aggregate amount of travelling and subsistence expenses reimbursed to trustees during the year was £nil (2024: £nil).

Key Management Personnel
The key management personnel of the group and charity comprise the Trustees, the Chief Executive Officer, Chief Technical Officer and Chief Operating Officer who was a leaver in the year.

Total employee benefits of the key management personnel for the year were £279,505 (2024: £882,198) including £nil (2024: £360,416) of restructuring costs. This excludes amounts paid to contracted staff of £129,340 (2024: £149,243).

Restructuring costs
Included in staff restructuring costs are no (2024: 1) termination payments totalling £nil (2024: £360,416). All of the payments were made during the year so that there were £nil outstanding at the year end (2024: £nil).

Notes to the financial statements for the year ended 31 December 2025

9 Intangible fixed assets

Group and charity

	Software £	Artistic Direction £	Total £
Cost			
At 1 January 2025	4,365	2,180,750	2,185,115
Additions	30,340	80,401	110,741
Transfer	21,279	-	21,279
Disposal	(4,365)	(9,575)	(13,940)
At 31 December 2025	51,619	2,251,576	2,303,195
Amortisation			
At 1 January 2025	4,365	1,888,755	1,893,120
Charge for period	327	199,397	199,724
Disposals	(4,365)	(9,575)	(13,940)
At 31 December 2025	327	2,078,577	2,078,904
Net book value At 31 December 2025	51,292	172,999	224,291
Net book value At 31 December 2024	-	291,995	291,995

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

10 Tangible fixed assets

Group and Charity

	Freehold Land and Buildings £	Assets Under Construction £	Plant and Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost						
At 1 January 2025	27,510,989	642,606	7,271,871	480,394	114,571	36,020,431
Additions	1,715,256	4,515,206	124,235	137,965	90,288	6,582,950
Disposals	(9,821)	-	(1,852,620)	(612)	-	(1,863,053)
Transfers	(1,037,293)	1,049,574	(33,560)	-	-	(21,279)
At 31 December 2025	28,179,131	6,207,386	5,509,926	617,747	204,859	40,719,049
Depreciation						
At 1 January 2025	8,601,843	-	5,906,079	223,261	48,706	14,779,889
Charge for period	1,580,836	-	661,314	98,484	24,737	2,365,371
Disposals	-	-	(1,832,833)	(520)	-	(1,833,353)
At 31 December 2025	10,182,679	-	4,734,560	321,225	73,443	15,311,907
Net book value						
At 31 December 2025	17,996,452	6,207,386	775,366	296,522	131,416	25,407,142
At 31 December 2024	18,909,146	642,606	1,365,792	257,133	65,865	21,240,542

Assets under construction relate to assets in development for the new day park which are not complete at 31 December 2025.

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

11 Fixed asset investments

Charity

Investment in subsidiary undertaking

	31 Dec 2025 £	31 Dec 2024 £
Investments – shares in group undertakings:	11	10

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2025	10
Additions	1
At 31 December 2025	11

The charity has a wholly-owned subsidiary, 11Arches Construction Limited (company number 16713680), which was incorporated on 12 September 2025. The subsidiary is incorporated in the United Kingdom and its registered office is Flatts Farm, Toronto, Bishop Auckland, County Durham, DL14 7SF. The subsidiary's principal activity is the development of building projects and other service activities.
The charity owns the entire issued share capital of the subsidiary, comprising 1 ordinary shares of £1, giving it 100% of the voting rights. The investment has been recorded at cost.

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

Summary profit and loss account	Year ended 31 December 2025 £	Period ended 31 December 2024 £
Turnover	2,460,115	1,982,819
Expenses	(2,392,055)	(1,971,029)
Interest received	15,164	60,711
Net profit before tax	83,224	72,501

Notes to the financial statements for the year ended 31 December 2025

Fixed asset investments (continued)

The assets and liabilities of the subsidiary were:	31 Dec 2025 £	31 Dec 2024 £
Fixed assets	-	-
Current assets	1,784,265	1,233,620
Creditors: amounts falling due in one year	(1,701,033)	(1,161,111)
Provisions for liabilities	(357)	(357)
Total net assets	82,875	72,152
Aggregate share capital and reserves	82,875	72,152

12 Stocks

	Group		Charity	
	31 Dec 2025 £	31 Dec 2024 £	31 Dec 2025 £	31 Dec 2024 £
Goods purchased for resale	87,415	50,237	-	-

13 Debtors

	Group		Charity	
	31 Dec 2025 £	31 Dec 2024 £	31 Dec 2025 £	31 Dec 2024 £
Trade debtors	-	3,180	-	3,180
Amounts owed by group undertakings	-	-	1,453,558	945,924
Other debtors	464,512	183,072	443,570	205,970
Prepayments and accrued income	835,625	1,062,477	835,450	1,062,477
	1,300,137	1,248,729	2,732,578	2,217,551

14 Creditors: Amounts falling due within one year

	Group		Charity	
	31 Dec 2025 £	31 Dec 2024 £	31 Dec 2025 £	31 Dec 2024 £
Trade creditors	695,319	116,094	681,428	115,955
Other taxation and social security	30,474	18,024	30,474	18,024
Other creditors	318	2,569	-	-
Accruals and deferred income	562,149	570,262	345,991	394,432
	1,288,260	706,949	1,057,893	528,411

15 Deferred income

	Group 31 Dec 2025 £	Group 31 Dec 2024 £	Charity 31 Dec 2025 £	Charity 31 Dec 2024 £
Balance as at 1 January 2025	259,461	57,207	100,000	-
Released from previous years	(234,461)	(57,207)	(75,000)	-
Resources deferred in the year	227,986	259,461	25,000	100,000
Balance as at 31 December 2025	252,986	259,461	50,000	100,000

Deferred income comprises ticket income received in advance and donations received relating to projects in which have not yet taken place.

16 Provisions for liabilities

Group	31 Dec 2025 £	31 Dec 2024 £
Deferred tax liability	357	357

There was no deferred tax liability in the charity.

17 Movement on funds

Group

	At 1 January 2025 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	At 31 December 2025 £
Unrestricted funds					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	27,688,373	24,622,139	(7,307,861)	798,000	45,800,651
Total funds	28,811,266	24,622,139	(7,307,861)	798,000	46,923,544
Restricted funds	-	798,000	-	(798,000)	-
Total funds	28,811,266	25,420,139	(7,307,861)	-	46,923,544

17 Movement on funds (continued)

Charity

	At 1 January 2025 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	At 31 December 2025 £
Unrestricted funds					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	27,616,232	23,796,894	(6,491,732)	798,000	45,719,394
Total funds	28,739,125	23,796,894	(6,491,732)	798,000	46,842,287
Restricted funds	-	798,000	-	(798,000)	-
Total funds	28,739,125	24,594,894	(6,491,732)	-	46,842,287

Designated funds:

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

Restricted funds:
An amount of £798k of restricted funding was received in the year for specific purchases of property, plant and equipment. These purchases have been made in the year and the restriction fulfilled. The funds have therefore been transferred to unrestricted funds, where depreciation on these assets will be charged to going forward.

17 Movement on funds (continued)

Funds prior year

Group

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

Charity

	At 1 October 2023 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	At 31 December 2024 £
Unrestricted funds					
Designated funds:					
Land Fund	1,122,893	-	-	-	1,122,893
General funds	25,362,412	9,860,059	(7,606,239)	-	27,616,232
Total funds	26,485,305	9,860,059	(7,606,239)	-	28,739,125

17 Movement on funds (continued)

Group

Fund balances at 31 December 2025 are represented by:	Unrestricted General Funds £	Unrestricted Designated Funds £	Total 2025 £
Fixed assets	24,508,540	1,122,893	25,631,433
Current assets	22,580,728	-	22,580,728
Creditors: amounts due within one year	(1,288,260)	-	(1,288,260)
Provisions for liabilities	(357)	-	(357)
	45,800,651	1,122,893	46,923,544

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

Charity

Fund balances at 31 December 2025 are represented by:	Unrestricted General Funds £	Unrestricted Designated Funds £	Total 2025 £
Fixed assets	24,508,551	1,122,893	25,631,444
Current assets	22,268,736	-	22,268,736
Creditors: amounts due within one year	(1,057,893)	-	(1,057,893)
	45,719,394	1,122,893	46,842,287

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

Notes to the financial statements for the year ended 31 December 2025

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

	31 Dec 2025 £	31 Dec 2024 £
Net income	18,112,278	2,273,651
Interest received	(170,991)	(170,980)
Depreciation	2,365,371	2,464,367
Amortisation	199,724	242,310
Loss on disposal of tangible fixed assets	20,703	6,868
(Increase)/decrease in stock	(37,178)	17,017
Increase in debtors	(51,408)	(821,180)
Increase/(decrease) in creditors	581,310	(2,546)
Net cash provided by/(used in) operating activities	21,019,809	4,009,507

19 Related party transactions

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

	Relationship	Income	Expenditure	Year end balance	Fixed asset purchases
Lempriere Pringle	Common trustee	22,000,000	-	(25,000)	-
The Auckland Project	Common trustee	3,150	3,175	(185,000)	185,000
Twinkle Bee Limited	Common trustee	-	432,210	-	6,500
Weldrack Limited	Common key management personnel	-	13,392	(624)	185,124

As at 31 December 2025, £1,453,558 was owed to the charity by 11Arches Night Show Limited (31 December 2024: £945,924).

During the financial period, a trustee donated £nil to the charity (2024: £160,000) of which £100,000 is deferred as at 31 December 2025 (31 December 2024: £100,000).

20 Pension scheme

The group operates a defined contribution scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The contributions payable by the group charged to income and expenditure amounted to £29,962 (2024: £55,868), and all related to unrestricted funds.

21 Taxation

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

22 Volunteers

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

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

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

23 Capital commitments

As at 31 December 2025, the group and charity had intangible capital commitments of £241,495 (31 December 2024: £26,190) and tangible capital commitments of £639,943 (31 December 2024: £105,932).

24 Operating lease commitments – Group and Charity

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

	31 Dec 2025 £	31 Dec 2024 £
Within one year	2,039	715
Between one and five years	3,915	2,145
	5,954	2,860

25 Control

The charity is controlled by the Board of Trustees.

26 Events after the reporting period

11Arches incorporated a new wholly owned subsidiary, 11Arches Construction Limited, on 12 September 2025. The company was dormant during the year and its principal activity will be to commission and manage construction projects and building works on behalf of 11Arches, alongside carrying on general commercial activities. The investment comprises one ordinary share of £1, giving 11Arches 100% ownership and voting rights.