Registered number: 00838245
Charity number: 241433

MALVERN THEATRES TRUST LIMITED

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Bishop Fleming

MALVERN THEATRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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MALVERN THEATRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2026

Trustees	J G Gallagher M A Kazi L D Kinmond E J Maggs (appointed 18 May 2026) S R Marks C J Pinder (appointed 29 April 2025) D K Shaw (appointed 21 April 2026) R Smith Professor T J Thompson OBE, Chair
Company registered number	00838245
Charity registered number	241433
Registered office	Malvern Theatres Grange Road Malvern Worcestershire WR14 3HB
Company secretary	Leslie Kinmond
Chief executive officer	Fred Moroni
Independent auditors	Bishop Fleming Audit Limited Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB
Solicitors	Harrison Clark Rickerbys LLP 5 Deansway Worcester Worcestershire WR1 2JG
Bankers	Lloyds Bank PLC 48 Belle Vue Terrace Malvern Worcestershire WR14 4QG

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The Trustees present their annual report together with the audited financial statements of the Malvern Theatres Trust Limited for the year 1 April 2025 to 31 March 2026. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2026).

Our vision:

- To be a leading provider of the arts
- To be recognized locally and nationally for our work
- To make the arts accessible to all
- To celebrate the life-changing power of the arts
- To nurture talent and to encourage the development of careers in the industry.

Our commitment:

- We will offer the broadest possible programme of cultural entertainment throughout the year
- We will operate within a sustainable financial framework
- We will encourage and collaborate with those who strive for the highest artistic standards across all genres
- We will break down barriers that prevent participation
- We will provide development opportunities to enable lifelong learning for people of all ages and abilities
- We will nurture a network of inspiring, ambitious and supportive individuals

Malvern Theatres is one of the leading providers of the arts in the UK. The theatres' setting amongst the Malvern Hills and its commitment to providing a rich, diverse and high-quality product for the community of Malvern and indeed further afield, has given it a unique profile both within the West Midlands and nationally.

PURPOSES AND ACTIVITIES

The purposes of the Trust are:

- To provide and enhance an artistic experience to the public in all aspects of dramatic art, including drama, mime, opera, ballet, music, singing and dance.
- To provide education in the arts, particularly focused on young persons.
- To further build on the experience of the public by the provision of two theatres and a cinema.
- Generally to further the social and cultural welfare of Great Malvern and its surrounding areas.

Our objectives are set and our activities planned having regard to the Charity Commission guidance on public benefit, including the guidance on admission charges to programmes and events. The Theatres are however obliged to cover costs in setting overall admission charges with shortfalls in revenues being made up from grants, particularly those from Malvern Hills District Council. Admission charges are kept as low as possible in order to preserve the availability of the theatres and the cinema to lower income groups and younger theatregoers.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public Benefit; running a charity (PB2)'.

STRATEGIES

The strategies which are used to achieve the Trust's aims and objectives are:

- To present a balanced programme of theatre productions, music and dance productions to give a real breadth of artistic opportunity to residents of Malvern and the surrounding areas.
- To work with local artistic organisations sponsoring local artistic events.
- To focus particularly upon education in the arts, particularly performance based.
- To encourage programming involving artists of different cultural backgrounds.
- Generally to offer opportunities to a broad range of people to participate in arts activity thereby exploring their own creative powers.

Strategies condense into three major areas of activity:

- Concerts and stage performances
- Educational programmes
- High Profile Cinema Productions

Thus we focus on bringing the arts to as wide a range of participants as possible, affecting all members of our community.

In 2025-26, Malvern Theatres welcomed more than 260,000 people for ticketed events across its programme with thousands more visiting the venue to use its facilities. This represents an increase of more than 4% in ticketed admissions compared with 2024-25. We have delivered a range of participatory events, workshops and community events which includes 20 individual weekly classes with the addition of pop-up events: semi-monthly dance mix classes, monthly art mix sessions and monthly touch screen cinema. We have seen some 6,000 admissions for the participatory programme with Studio One continuing to deliver gains in terms of our ability to host; community events, small-scale live performance and film whilst the Three Counties Talent Hub (3CTH) and Young Company rehearsed and performed in the venue in April and July to August, respectively. In Christmas we held a sensory small-scale production for children aged 3 years plus as an alternative to the annual pantomime. Ticket sales remain indispensable in keeping theatre sustainable, as do our membership schemes and fundraising activity. In particular, the trusts and foundations revenue has been imperative in supporting our participatory and community programme. We continue to explore additional funding opportunities with regard to enhancing engagement in the arts with the community and the provision of access performances.

2025-26 saw the appointment of a local construction company for the £20 million development project following a six month tender process with construction works commencing onsite in January'26 with the installation of perimeter fencing. When finished, the new building promises to increase community engagement with the arts, to enhance opportunities, especially for young people growing up in a rural area and to foster health and well-being throughout the area.

VOLUNTEERS AND COMMUNITY RELATIONS

The Trust's involvement with the community is clearly demonstrated by the ever-growing opportunities for volunteering, participation, and theatregoing. The theatre is a safe, supportive and welcoming environment for members of the community to connect and participate in the arts. Volunteering presents individuals with the opportunity to improve their confidence, self-esteem and wellbeing while reducing isolation through regular routine and social interaction. In addition, we encourage audience input and take careful note of compliments, complaints and general comments received in order to review, learn and grow as a business.

Children and Young People

Malvern Theatres believes that the arts can be transformative for children and young people with engagement in the arts enriching their wider learning, development of essential communication and teamworking skills, nurturing of confidence and empathy while unlocking hidden creative potential. In addition to greater participation opportunities, we continue to promote the importance of attending live theatre by offering heavily discounted tickets for young people and school groups as well as subsidised travel for school groups (40 plus). In addition, we actively continue to support fundraising initiatives from schools in the local community and surrounding areas through the donation of prizes.

We believe, in this modern age of digital streaming, it is vital for children to have the opportunity to experience a film on the 'big screen' in a cinema within a collective environment. In collaboration with local organisation, Malvern Cube, we continue to facilitate the monthly Into Film Youth Club; an initiative to offer free screenings for attendees of high school age registered onto the programme in contrast to the Into Film Festival screenings with some 1,500 children of primary school age attending a free cinema screening.

Disabled People

As part of our charitable commitment we pledge to make Malvern Theatres and the arts accessible for all. We continue to understand the social model of disability and by extension, our responsibility as a large cultural venue to make our building user-friendly.

We continue to strive towards a greater provision of access performance across our programme of events in the cinema and theatre with the auditoria and foyer all step-free and with accessible seating available. Currently, we facilitate several BSL interpreted theatre performances, audio-described performances preceded by touch tours and relaxed performances throughout the year with weekly descriptive subtitled film screenings, a monthly relaxed film screening in the cinema as well as audio description being readily available across the majority of the cinematic schedule of events offering a friendly and welcoming environment for all.

The TakePart programme continues to incorporate classes specifically tailored to those individuals with both learning difficulties, disabilities and restricted mobility and/or physical disabilities. Make Your Mark Xtra and Gentle Dance classes continue to be well attended while the introduction of Jigsaw Inclusive Dance, and Touch Screen Cinema have welcomed new participants to the programme and venue.

The Changing Places facility continues to play a pivotal role, significantly enhancing our offering to patrons of the theatre and visitors to the local community and surrounding areas. Making the region more accessible to all, individuals with profound and multiple learning disabilities or physical disabilities continue to have the opportunity to regain their confidence and independence whilst exploring the local areas and interacting with others with the knowledge there is access to specialist equipment in a safe and comfortable environment, with or without assistance, if required.

Older People

In a society that is ever-changing, we are committed to playing a meaningful and significant role where the arts can provide a safe and inspiring environment for older people whether fit and well, engaged, facing isolation or living with a neurological disorder such as dementia. The participatory programme promotes: socialisation and routine, engagement and creativity through varied artforms, while the Senior Bronze membership continues to be heavily discounted ensuring affordable access to live performance and cinema for over 60s.

Environmental Responsibility

We endeavour to be a leader within our community, promoting an environmentally responsible approach to both our business and building by:

- striving to ensure our work has a minimal impact on the environment; inspiring others to make impactful changes to benefit the planet.
- implementing eco-friendly initiatives across the venue; optimising energy efficiency, minimising water and energy wastage, promoting recycling and reduce printing.
- continuing to work towards a sustainable catering operation with the use of Vegware compostable cups and recyclable plastic glasses across the café and bar areas.

Investment Powers and Policy

Apart from the need to retain restricted reserves, the trustees have unrestricted investment powers. Having regard to the liquidity requirements of the theatres, to the need to mitigate investment risk and to the reserves policy the trustees have operated a policy of keeping funds surplus to immediate requirements in interest bearing deposit accounts and fixed asset investments.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Financial Review

The year under review produced a surplus in unrestricted funds of £360,363 compared with a deficit of £150,656 last year. There was a surplus in restricted funds of £353,624 compared with £266,342 last year.

Across all funds the surplus for the year was £713,987 (surplus of £115,686 last year).

The Group chose to early adopt changes to FRS 102. Under the revised revenue recognition accounting requirements, the charity now recognises membership income over the membership length and not in full on purchase. This has resulted in an adjustment of £160,273 impacting to surplus and overall funds on 1 April 2025.

The results of the subsidiaries, Malvern Theatres Trading Limited and Malvern Theatres Productions Limited, are included in the group's figures. Profits from the subsidiaries is paid to the charity by way of Gift Aid as in previous years.

There was an increase in cash of £59,878 (2025: £676,616). Cash at the end of the year was £3,819,667 (2025: £3,759,789).

At the year end, net current assets were £1,662,199 (2025: £1,019,629).

RESERVES POLICY

Maintaining a sustainable level of reserves remains a prime consideration for the organisation going forward. We are reliant on continued financial support, including funding from Malvern Hills District Council. The level of grants remains under pressure, leading to more of our creative output being generated by trading income.

Looking forward, we need to continue to balance the quality of our product with the funds available whilst also seeking to secure other sustainable funding sources.

Having regard to the economic situation and potential disruption during the capital project, the Trustees believe that an appropriate level of reserves is approximately six months overhead expenditure which is currently circa £1,300,000. At 31 March 2026, unrestricted reserves amounted to £1,487,958 after making an unrestricted surplus for the financial year 2025/2026 of £360,363.

PLANS FOR THE FUTURE

We will continue to strive to provide a balanced and diverse programme of the highest quality of product in our Festival and Forum theatres.

Other initiatives are as follows:

- We will continue to explore new and available fundraising opportunities whilst seeking regular contributions from our loyal patrons, local businesses, trusts and foundations.
- We will continue to build marketing resources to assist with maximising the volume of bookings taken via the internet while striving to improve the theatres' digital presence.
- We will continue to review our pricing structure with a view to fine tuning these but only to the extent of not risking a loss of audiences.

Levelling Up project plans

Further to planning permission being granted in 2024-25 for the £20m redevelopment project, from Levelling Up Funding awarded to Malvern Hills District Council (MHDC) for significant improvements at Malvern Theatres, the building works commenced onsite in January 2026.

We will build a world-class facility that attracts increased visitor numbers, boosting the local economy by £11m annually. The auditorium plans will enable the theatre to provide and do new and different types of work in the future by creation of:

- a modern 240-seat studio theatre; to host more community theatre
- a workshop space; further enhance the current participatory programme for the local and wider community
- small amphitheatre; for community use encouraging creativity and performance

This development will more greatly enhance the accessibility of the venue making the building more user-friendly with park-side modifications improving access into the building with the addition of better spaced stairs, handrails, upgraded lighting, and new lift. Improvements to the Forum Theatre will make the space more user-friendly, accessible and comfortable.

As part of our charitable commitment we pledge to make Malvern Theatres and the arts accessible for all. We continue to understand the social model of disability and by extension, our responsibility as a large cultural venue to make our building user-friendly.

Malvern Hills District Council has provided additional support to the theatre during the period of building works, and the temporary closure of the Forum theatre.

TRUSTEES

The Trustees who served during the year were:

- John Gallagher
- Maher Kazi
- Leslie Kinmond
- Simon Marks
- Christopher Pinder
- Richard Smith
- Professor Tamar Thompson OBE, Chair

GOVERNING DOCUMENT

The Charity is registered as a charitable company limited by guarantee set up by a Memorandum of Association on 19 February 1965. It is registered as a charity with the Charity Commission No. 241433

APPOINTMENT OF TRUSTEES

The management of the Charity and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association. Particular effort is made to recruit Trustees who will benefit the Charity by bringing a balanced set of skills. Efforts are also made to manage future retirements of Trustees, so as to enable the appointment of successors without undue haste.

TRUSTEE INDUCTION AND TRAINING

Every Trustee on appointment is provided with a pack of documents setting out key information on the Trust and the Charity. New Trustees are required to confirm that they have studied these documents and raised any queries or obtained any further information which they may need.

Developments in Charity Law and practice are monitored and important developments are brought to the notice of Trustees.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Malvern Theatres Trust Limited for the purposes of company law) 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 Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ORGANISATION

The Board of Trustees, which currently has 9 members, administers the Charity. The Board meets bi-monthly and there are sub-committees covering fundraising, audit and governance and remuneration. These sub-committees meet on an ad-hoc basis whenever necessary. The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operation, the Chief Executive has delegated authority within terms of reference approved by the Trustees for some operational matters, including finance.

RELATED PARTIES

None of the Trustees receive remuneration or any other benefit for their work with the Charity. Any connection between any Trustee and any production company, contracted actor or performer of any sort, must be disclosed to the full Board of Trustees in the same way as any contractual relationship with a related party.
The Charity has a close relationship with Malvern Hills District Council, who provide grant aid. Receipt of these grant monies is crucial for the ongoing operations of the Theatres.

The Charity's wholly owned subsidiary, Malvern Theatres Trading Limited, was established to operate hire, conferences, etc. and all other activities ancillary to the main activity of the group. The profits of the subsidiary are Gift Aided to the Charity (see Note 13 to the financial statements).
The Charity's wholly owned subsidiary, Malvern Theatres Productions Ltd, was established to produce theatre productions. The profits of the subsidiary are Gift Aided to the Charity (see Note 13 to the financial statements).

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Professor T J Thompson OBE
Chair

Date: 20th oct. 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALVERN THEATRES TRUST LIMITED

OPINION

We have audited the financial statements of Malvern Theatres Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2026 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 the 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 the information included in the Annual Report other than the financial statements and our Auditors' 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.

OPINION 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 Strategic Report for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' Responsibilities Statement, 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 the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' 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:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
    - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries, and these were identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included occupational health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statements disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 27 October 2026

MALVERN THEATRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2026

	Note	Unrestricted funds 2026 £	Restricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
INCOME FROM:					
Donations and legacies	3	**582,808**	**560,242**	**1,143,050**	706,551
Charitable activities	4	**6,197,179**	**-**	**6,197,179**	5,954,370
Other trading activities	5	**271,608**	**-**	**271,608**	328,687
Investments	6	**157,638**	**-**	**157,638**	78,458
TOTAL INCOME		**7,209,233**	**560,242**	**7,769,475**	7,068,066
EXPENDITURE ON:					
Raising funds		**40,127**	**-**	**40,127**	26,817
Charitable activities	7	**6,871,463**	**206,618**	**7,078,081**	6,797,817
TOTAL EXPENDITURE		**6,911,590**	**206,618**	**7,118,208**	6,824,634
NET INCOME BEFORE NET (LOSSES)/GAINS ON INVESTMENTS		**297,643**	**353,624**	**651,267**	243,432
Net (losses)/gains on investments		**62,720**	**-**	**62,720**	32,527
NET MOVEMENT IN FUNDS		**360,363**	**353,624**	**713,987**	275,959
RECONCILIATION OF FUNDS:					
Total funds brought forward as previously stated		**1,287,868**	**3,646,622**	**4,934,490**	4,658,531
Impact of early adoption of changes in FRS 102		**(160,273)**	**-**	**(160,273)**	-
Total funds brought forward as restated		**1,127,595**	**3,646,622**	**4,774,217**	4,658,531
Net movement in funds		**360,363**	**353,624**	**713,987**	275,959
TOTAL FUNDS CARRIED FORWARD		**1,487,958**	**4,000,246**	**5,488,204**	4,934,490

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17-34 form part of these financial statements.

MALVERN THEATRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00838245

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2026

	Note	2026 £	2025 £
FIXED ASSETS			
Tangible assets	12	**2,992,536**	3,180,684
Investments	13	**833,469**	734,177
		3,826,005	3,914,861
CURRENT ASSETS			
Debtors	14	**220,620**	218,905
Investments	15	**1,482,830**	334,000
Cash at bank and in hand		**3,819,667**	3,759,789
		5,523,117	4,312,694
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	16	**(3,860,918)**	(3,293,065)
NET CURRENT ASSETS		**1,662,199**	1,019,629
TOTAL NET ASSETS		**5,488,204**	4,934,490
CHARITY FUNDS			
Restricted funds	18	**4,000,246**	3,646,622
General funds		**1,487,958**	1,287,868
TOTAL FUNDS		**5,488,204**	4,934,490

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Professor T J Thompson OBE
Chair

Date: 20th Oct. 2026

The notes on pages 17 to 34 form part of these financial statements.

MALVERN THEATRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00838245

CHARITABLE COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
FIXED ASSETS			
Tangible assets	12	**2,992,536**	3,180,684
Investments	13	**901,623**	802,331
		3,894,159	3,983,015
CURRENT ASSETS			
Debtors	14	**338,998**	323,700
Investments	15	**1,482,830**	334,000
Cash at bank and in hand		**3,626,303**	3,579,593
		5,448,131	4,237,293
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	16	**(3,849,092)**	(3,283,886)
NET CURRENT ASSETS		**1,599,039**	953,407
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,493,198**	4,936,422
TOTAL NET ASSETS		**5,493,198**	4,936,422
CHARITY FUNDS			
Restricted funds	18	**4,000,246**	3,646,622
Unrestricted funds	18	**1,492,952**	1,289,800
TOTAL FUNDS		**5,493,198**	4,936,422

The Charitable Company's net movement in funds for the year was £717,049 (2025 - £244,111).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Professor T J Thompson OBE
Chair

Date: 20th oct. 2026

The notes on pages 17 to 34 form part of these financial statements.

MALVERN THEATRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash generated from operating activities	21	**1,021,490**	1,047,033
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income		**283,078**	78,458
Proceeds from the sale of tangible fixed assets		**-**	688
Purchase of tangible fixed assets		**(59,288)**	(46,553)
Proceeds from sale of investments		**133,302**	126,148
Purchase of investments		**(169,874)**	(195,158)
Purchase of short-term unlisted investments		**(1,148,830)**	(334,000)
NET CASH USED IN INVESTING ACTIVITIES		**(961,612)**	**(370,417)**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**59,878**	**676,616**
Cash and cash equivalents at the beginning of the year		**3,759,789**	3,083,173
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	22	**3,819,667**	3,759,789

The notes on pages 17 to 34 form part of these financial statements

1. GENERAL INFORMATION

Malvern Theatres Trust Limited is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is Grange Road, Malvern, Worcestershire, WR14 3HB.

In the event of the charity being wound up, each member has undertaken to contribute towards its liabilities a sum of not exceeding one pound.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including the amendments arising from the Periodic Review 2024, and the Companies Act 2006.

The Trust has early adopted the amendments to FRS 102 arising from the Periodic Review 2024 and the Charities SORP (FRS 102) 2026 in preparing these financial statements.

Malvern Theatres Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 CHANGES IN ACCOUNTING POLICIES

The Trustees have elected to early adopt the amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland relating to revenue recognition. The revised requirements have been applied from the current financial year.

Under the revised standard membership subscription income is recognised over the period to which the membership relates, reflecting the transfer of services and benefits provided to members throughout the membership term. Under the charity's previous accounting policy, membership subscription income was recognised when invoiced.

The impact of the transition to the revised requirements has been recognised in accordance with the transition provisions of FRS 102. Comparative information has not been restated in accordance with the transitional provisions adopted. This has resulted in an adjustment on 1 April 2025 of £160,273 impacting the surplus and opening funds.

The adoption of the revised lease accounting requirements has not resulted in any changes for the charity. All leases were considered to be short-term or low-value leases and therefore will continue to be recognised on a straight line basis as shown in note 25.

2. ACCOUNTING POLICIES (continued)

2.3 GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The financial statements do not reflect the adjustments that would be necessary should entity cease to remain as a going concern.

2.4 INCOME

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations
Income from the heritage fee included in the price of tickets is included in incoming resources in the period in which the relevant show takes place.

Income from other donations is included in the year in which they are received.

Charitable activities

Income from Theatre admission fees is included in incoming resources in the period in which the relevant show takes place.

Activities for generating funds includes income from commercial activities and represents income from cinema admissions and sponsorship activities and is included in the period in which the group is entitled to receipt.

Membership subscription income is recognised over the period to which the membership relates, reflecting the transfer of services and benefits to members over time. Amounts received in advance are recognised as deferred income.

Grants receivable

Revenue based grants are credited to the Statement of financial activities in the year in which they are received.

Grants relating to the redevelopment of the Theatre complex have been credited to restricted funds in the Statement of financial activities in accordance with the conditions imposed by donors.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE (CONTINUED)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 TAXATION

The Charitable Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the remaining life of the lease
Fixtures and fittings	- 10%-50% straight line

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 SHORT TERM INVESTMENTS

Short term investments includes cash on deposit with a notice period of more than three months but less than one year.

2. ACCOUNTING POLICIES (continued)

2.11 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.14 FINANCIAL INSTRUMENTS

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 COMMITMENTS FOR SHORT-TERM AND LOW VALUE LEASES

Rentals paid under short-term or low value leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.16 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.17 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
DONATIONS				
Tomorrow Fund donations	-	51,664	**51,664**	2,074
Heritage Fund donations	-	508,578	**508,578**	509,562
Other donations	106,483	-	**106,483**	102,802
GRANTS				
The Elmley Foundation	15,000	-	**15,000**	12,500
Support grant from MHDC	415,000	-	**415,000**	41,600
Other grants	46,325	-	**46,325**	38,013
TOTAL 2026	582,808	560,242	**1,143,050**	706,551
TOTAL 2025	194,915	511,636	706,551	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Festival Theatre income	4,316,606	**4,316,606**	3,253,993
Forum Theatre income	597,703	**597,703**	1,433,958
Engagement and Creative Learning income	37,281	**37,281**	43,923
Cinema income	359,597	**359,597**	329,259
Theatre membership fees and income	313,185	**313,185**	308,929
Other income	540,254	**540,254**	556,582
Studio One income	32,553	**32,553**	27,726
TOTAL 2026	6,197,179	**6,197,179**	5,954,370
TOTAL 2025	5,954,370	5,954,370	

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Income from catering contract	134,306	**134,306**	133,690
Trading company income	132,877	**132,877**	190,994
Other trading income	4,425	**4,425**	4,003
TOTAL 2026	271,608	**271,608**	328,687
TOTAL 2025	328,687	328,687	

6. INVESTMENT INCOME

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Investment income	38,258	**38,258**	2,097
Bank Interest income	119,380	**119,380**	76,361
TOTAL 2026	157,638	**157,638**	78,458
TOTAL 2025	78,458	78,458	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Total 2025 £
Shows	6,754,048	206,618	**6,960,666**	6,600,327
Engagement and Creative Learning	110,247	-	**110,247**	169,907
Catering expenditure	7,168	-	**7,168**	27,583
	6,871,463	206,618	**7,078,081**	6,797,817
TOTAL 2025	6,552,523	245,294	6,797,817	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2026 £	Support costs 2026 £	Total funds 2026 £	Total funds 2025 £
Shows	6,497,584	463,082	**6,960,666**	6,600,327
Engagement and Creative Learning	110,247	-	**110,247**	169,907
Catering expenditure	7,168	-	**7,168**	27,583
	6,614,999	463,082	**7,078,081**	6,797,817
TOTAL 2025	6,367,012	430,805	6,797,817	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Shows 2026 £	Engagement and Creative Learning 2026 £	Catering 2026 £	Total funds 2026 £	Total funds 2025 £
Staff costs	1,025,513	58,325	-	**1,083,838**	1,076,001
Depreciation	245,649	-	-	**245,649**	241,282
Show production costs	4,045,421	43,010	-	**4,088,431**	3,937,157
Cinema production costs	146,359	-	-	**146,359**	131,542
Irrecoverable VAT	101,973	-	-	**101,973**	90,084
Advertising and marketing	317,443	8,912	-	**326,355**	309,958
Equipment and small tool costs	10,989	-	-	**10,989**	6,694
Property costs	241,538	-	-	**241,538**	281,225
General property costs	151,689	-	-	**151,689**	78,785
Other staff costs	9,471	-	-	**9,471**	17,917
General expenses	188,348	-	-	**188,348**	156,506
Catering Costs	-	-	7,168	**7,168**	27,583
Operating leases	13,191	-	-	**13,191**	12,278
	6,497,584	110,247	7,168	**6,614,999**	6,367,012
TOTAL 2025	6,169,522	169,907	27,583	6,367,012	

ANALYSIS OF SUPPORT COSTS

	Theatres income 2026 £	Total funds 2026 £	Total funds 2025 £
Staff costs	372,150	**372,150**	330,374
Bank and credit card charges	43,643	**43,643**	41,140
Consultancy costs	15,846	**15,846**	35,795
Audit fees	17,735	**17,735**	16,890
Legal and professional fees	13,708	**13,708**	6,606
	463,082	**463,082**	430,805

9. AUDITORS' REMUNERATION

	2026	2025
	£	£
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	**17,735**	16,890
Fees payable to the Charitable Company's auditor in respect of:		
All non-audit services not included above	**2,800**	2,610

10. STAFF COSTS

	Group 2026	Group 2025	**Charitable Company 2026**	Charitable Company 2025
	£	£	**£**	£
Wages and salaries	**1,313,115**	1,287,608	**1,313,115**	1,287,608
Social security costs	**132,864**	98,871	**132,864**	98,871
Contribution to defined contribution pension schemes	**43,017**	41,218	**43,017**	41,218
	1,488,996	1,427,697	**1,488,996**	1,427,697

The average number of persons employed by the Charitable Company during the year was as follows:

	Group 2026	Group 2025	**Charitable Company 2026**	Charitable Company 2025
	No.	No.	**No.**	No.
Employees	**60**	61	**60**	61

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

	Group 2026	Group 2025
	No.	No.
In the band £60,001 - £70,000	**-**	1
In the band £70,001 - £80,000	**1**	-

The key management personnel of the Charity, and the Group, comprise the Trustees, Chief Executive Officer, Finance Director, Technical Director and Head of Communications. The total employee benefits of the key management personnel of the Charity and Group, including employer's National Insurance contributions, were £264,953 (2025: £311,282).

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2025: £NIL).

During the year ended 31 March 2026, no Trustee expenses have been incurred (2025: £NIL).

12. TANGIBLE FIXED ASSETS

GROUP AND CHARITABLE COMPANY

	Long-term leasehold property £	Fixtures and fittings £	Total £
COST			
At 1 April 2025	**8,303,205**	**1,179,159**	**9,482,364**
Additions	**-**	**59,288**	**59,288**
Disposals	**-**	**(110,119)**	**(110,119)**
At 31 March 2026	**8,303,205**	**1,128,328**	**9,431,533**
DEPRECIATION			
At 1 April 2025	**5,387,951**	**913,729**	**6,301,680**
Charge for the year	**147,200**	**100,236**	**247,436**
On disposals	**-**	**(110,119)**	**(110,119)**
At 31 March 2026	**5,535,151**	**903,846**	**6,438,997**
NET BOOK VALUE			
At 31 March 2026	**2,768,054**	**224,482**	**2,992,536**
At 31 March 2025	2,915,254	265,430	3,180,684

13. FIXED ASSET INVESTMENTS

GROUP	Listed investments £
COST OR VALUATION	
At 1 April 2025	**734,177**
Additions	**169,874**
Disposals	**(133,302)**
Revaluations	**62,720**
AT 31 MARCH 2026	**833,469**
NET BOOK VALUE	
AT 31 MARCH 2026	**833,469**
AT 31 MARCH 2025	734,177

CHARITABLE COMPANY	Investments in subsidiary companies £	Listed investments £	Total £
COST OR VALUATION			
At 1 April 2025	**100,002**	**734,177**	**834,179**
Additions	**-**	**169,874**	**169,874**
Disposals	**-**	**(133,302)**	**(133,302)**
Revaluations	**-**	**62,720**	**62,720**
AT 31 MARCH 2026	**100,002**	**833,469**	**933,471**
IMPAIRMENT			
At 1 April 2025	**31,848**	**-**	**31,848**
AT 31 MARCH 2026	**31,848**	**-**	**31,848**
NET BOOK VALUE			
AT 31 MARCH 2026	**68,154**	**833,469**	**901,623**
AT 31 MARCH 2025	68,154	734,177	802,331

13. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charitable Company:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding
Malvern Theatres Trading Limited	02870411	The Malvern Theatres, Grange Road, Malvern, Worcestershire, WR14 3BH	Hire of facilities and sale of ancillary products related to shows	Ordinary	100%
Malvern Theatres Productions Limited	06421354	The Malvern Theatres, Grange Road, Malvern, Worcestershire, WR14 3BH	Touring theatrical production company	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Surplus/ (Deficit) for the period £	Net assets £
Malvern Theatres Trading Limited	**132,877**	**(132,877)**	**-**	**2**
Malvern Theatres Productions Limited	**-**	**(3,062)**	**(3,062)**	**63,158**

14. DEBTORS

	Group 2026 £	Group 2025 £	Charitable Company 2026 £	Charitable Company 2025 £
DUE WITHIN ONE YEAR				
Trade debtors	**75,087**	95,925	**70,040**	60,996
Amounts owed by group undertakings	**-**	-	**123,425**	139,724
Other debtors	**1,200**	1,200	**1,200**	1,200
Prepayments and accrued income	**144,333**	121,780	**144,333**	121,780
	220,620	218,905	**338,998**	323,700

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

15. CURRENT ASSET INVESTMENTS

	Group 2026 £	Group 2025 £	Charitable Company 2026 £	Charitable Company 2025 £
Short term deposit account	**1,482,830**	334,000	**1,482,830**	334,000

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2026 £	Group 2025 £	**Charitable Company 2026 £**	Charitable Company 2025 £
Trade creditors	**492,173**	375,577	**487,501**	373,138
Other taxation and social security	**64,631**	64,796	**64,631**	64,796
Accruals and deferred income	**3,304,114**	2,852,692	**3,296,960**	2,845,952
	3,860,918	3,293,065	**3,849,092**	3,283,886

Accruals includes £1,050,000 due to MHDC towards the build costs for Studio One.

	Group 2026 £	Group 2025 £	**Charitable Company 2026 £**	Charitable Company 2025 £
Deferred income at 1 April 2025	**1,519,947**	1,159,791	**1,518,368**	1,157,658
Adjustment made on 1 April 2025 to reflect change in accounting policy	**160,273**	-	**160,273**	-
Resources deferred during the year	**2,066,035**	1,519,947	**2,061,772**	1,518,368
Amounts released from previous periods	**(1,680,220)**	(1,159,791)	**(1,678,641)**	(1,157,658)
	2,066,035	1,519,947	**2,061,772**	1,518,368

Deferred income represents amounts received in respect of shows and performances that do not take place until after the year end, as well as theatre packages and gift cards not yet reclaimed.

As disclosed in note 2.4, deferred income now also represents amounts received in respect of membership income that is recognised over the membership length.

17. FINANCIAL INSTRUMENTS

	Group 2026 £	Group 2025 £	**Charitable Company 2026 £**	Charitable Company 2025 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	**5,302,497**	4,093,789	**5,109,133**	3,913,593

Financial assets measured at fair value through income and expenditure comprise of short term investments and cash at bank and in hand.

18. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2025 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2026 £
UNRESTRICTED FUNDS					
General Funds	**1,127,595**	**7,209,233**	**(6,911,590)**	**62,720**	**1,487,958**
RESTRICTED FUNDS					
Restricted Theatre Refurbishment Fund	**1,944,389**	**-**	**(97,220)**	**-**	**1,847,169**
Restricted Tomorrow Fund	**1,192,671**	**51,664**	**(109,398)**	**-**	**1,134,937**
Restricted Heritage Fund	**509,562**	**508,578**	**-**	**-**	**1,018,140**
	3,646,622	**560,242**	**(206,618)**	**-**	**4,000,246**
TOTAL OF FUNDS	**4,774,217**	**7,769,475**	**(7,118,208)**	**62,720**	**5,488,204**

RESTRICTED FUND DESCRIPTIONS:

Restricted Theatre Refurbishment Funds
This fund is the result of Lottery Funding Grant matched by contribution from MHDC and other supporters to provide refurbishment of the Theatres. The refurbishment costs have been capitalised and will be depreciated over the life of the lease, or life of item whichever is applicable. The balance on this fund as at the year end was £1,847,169 (2025: £1,944,389).

Restricted Tomorrow Fund
The fund is the result of contributions from the Theatres' supporters to fund the redevelopment of the Theatres, including reseating of the cinema, Festival and Forum, and for funding projects including festivals. The cinema and festival seating has been replaced and these costs have been capitalised and will be depreciated over the life of the assets. The balance on this fund as at the year end was £1,134,937 (2025: £1,192,671).

Restricted Heritage Fund
This fund is the results of contributions from the Theatres' supporters to fund heritage projects, and towards the maintenance and running costs of the building. The balance on this fund as at the year end was £1,018,140 (2025: £509,562). This fund has been used towards reseating the festival theatre, and towards Studio One. Going forward this will be used towards future projects including the new development.

18. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
UNRESTRICTED FUNDS					
General Funds	1,278,251	6,556,430	(6,579,340)	32,527	1,287,868
RESTRICTED FUNDS					
Restricted Theatre Refurbishment Fund	2,041,609	-	(97,220)	-	1,944,389
Restricted Tomorrow Fund	1,338,671	2,074	(148,074)	-	1,192,671
Restricted Heritage Fund	-	509,562	-	-	509,562
	3,380,280	511,636	(245,294)	-	3,646,622
TOTAL OF FUNDS	4,658,531	7,068,066	(6,824,634)	32,527	4,934,490

19. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2025 £	**Income £**	**Expenditure £**	**Gains/ (Losses) £**	**Balance at 31 March 2026 £**
General funds	**1,127,595**	**7,209,233**	**(6,911,590)**	**62,720**	**1,487,958**
Restricted funds	**3,646,622**	**560,242**	**(206,618)**	**-**	**4,000,246**
	4,774,217	**7,769,475**	**(7,118,208)**	**62,720**	**5,488,204**

19. SUMMARY OF FUNDS (CONTINUED)

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
General funds	1,278,251	6,556,430	(6,579,340)	32,527	1,287,868
Restricted funds	3,380,280	511,636	(245,294)	-	3,646,622
	4,658,531	7,068,066	(6,824,634)	32,527	4,934,490

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2026 £	**Restricted funds 2026 £**	**Total funds 2026 £**
Tangible fixed assets	-	2,992,536	**2,992,536**
Fixed asset investments	833,469	-	**833,469**
Current assets	3,465,407	2,057,710	**5,523,117**
Creditors due within one year	(2,810,918)	(1,050,000)	**(3,860,918)**
TOTAL	1,487,958	4,000,246	**5,488,204**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	3,180,684	3,180,684
Fixed asset investments	734,177	-	734,177
Current assets	2,796,756	1,515,938	4,312,694
Creditors due within one year	(2,243,065)	(1,050,000)	(3,293,065)
TOTAL	1,287,868	3,646,622	4,934,490

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2026 £	Group 2025 £
Net income for the year (as per Statement of Financial Activities)	**713,987**	115,686
ADJUSTMENTS FOR:		
Depreciation charges	**247,436**	241,970
Dividends, interests and rents from investments	**(283,078)**	(78,458)
Profit on the sale of fixed assets	**-**	(688)
Increase in debtors	**(1,715)**	(28,130)
Increase in creditors	**407,580**	764,126
Net (profit) / loss on sale and revaluation of investments	**(62,720)**	32,527
NET CASH GENERATED BY OPERATING ACTIVITIES	**1,021,490**	1,047,033

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2026 £	Group 2025 £
Cash in hand	**3,819,667**	3,759,789

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	**3,759,789**	**59,878**	**3,819,667**
Short term deposit accounts	**334,000**	**1,148,830**	**1,482,830**
	4,093,789	**1,208,708**	**5,302,497**

24. PENSION COMMITMENTS

The Charitable Company makes contributions, as part of an employee's contract of employment, which are payable to defined contribution schemes chosen by the employer. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £43,017 (2025: £41,218). Contributions totalling £6,073 (2025: £6,053) were payable to the fund at the Balance sheet date and are included in creditors.

25. COMMITMENTS FOR SHORT-TERM AND LOW-VALUE LEASES

At 31 March 2026 the Group and the Charitable Company had commitments to make future minimum lease payments under non-cancellable leases as follows:

	Group 2026 £	Group 2025 £	**Charitable Company 2026 £**	Charitable Company 2025 £
Not later than 1 year	**13,565**	12,965	**13,565**	12,965
Later than 1 year and not later than 5 years	**-**	13,350	**-**	13,350
	13,565	26,315	**13,565**	26,315

26. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption in Section 33 of FRS 102 from the requirement to disclose transactions with other wholly owned group companies.

During the year the Charity made sales of £800 (2025: £1,200) to Sweet Paan Limited, incurred expenditure of £538 (2025: £1,295). Maher Kazi is a Trustee of the Charity and a shareholder of Sweet Paan Limited.

During the year the company made purchases of £25,032 (2025: £25,032) from Webdesign Associates Ltd. Tamar Thompson is a Trustee of the Charity and a shareholder of Webdesign Associates Ltd.

All transactions with related party's were conducted on an arms length basis.