ROYALTY THEATRE SUNDERLAND
(Charity Number 258246)

ANNUAL STATEMENT OF ACCOUNTS

YEAR ENDED 31 MARCH 2026

ROYALTY THEATRE SUNDERLAND

ANNUAL STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2026

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ROYALTY THEATRE SUNDERLAND

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

Reference and Administration Details

***Patron*:**
D. Parfitt
BAFTA and Oscar Winning Film Producer

***Trustees*:**
P. Reynolds (Resigned 08/08/2025)
M. Waine (Resigned 08/08/2025)
C. Kilvington
A. Barella (Appointed 08/08/2025)
A. Snell (Appointed 08/08/2025)
C. R. J. Chapman, FCA (Appointed 08/08/2025)

Chair:
A. Barella

***Secretary*:**
M. Waine

***Treasurer*:**
C. R. J. Chapman, FCA

***Registered Address & Place of Business*:**
25 The Royalty
Sunderland
SR2 7PP

***Bankers*:**
Royal Bank of Scotland plc
1 Redheughs Avenue
Edinburgh
EH12 9JN

***Solicitors*:**
Peter Dunn & Co
20 Athenaeum Street
Sunderland
SR1 1DH

***Independent Examiner*:**
A. M. Henshaw FCCA
Torgersens
Chartered Accountants
East Suite, Ground Floor
Avalon House
St Catherine's Court
Sunderland
SR5 3XJ

***Status*:**
The Charity is registered with the Charity Commissioners as number 258246.

Structure, Governance and Management

***Constitution*:**
The Royalty Theatre Sunderland ("the Charity") is incorporated under a Constitution which sets out the objectives and purposes of the Charity. The accounts comply with current statutory requirements and the requirements of the Constitution. The ultimate responsibility for the management is vested in the Trustees who delegate the management to the Executive Committee.

***Trustees*:**
The Constitution provides for a maximum of four Trustees, such Trustees to be nominated by a resolution of members at an Annual or Special General Meeting of the Charity. Trustees hold office until death, resignation, or removal from office.

***Executive Committee*:**
The Executive Committee, to whom the Trustees delegate the day to day management of the Charity, comprises Chairman, Vice Chairman, Secretary, Treasurer, Artistic Director, three Trustees, and seven other members all of whom, with the exception of the Trustees, are elected annually at the Annual General Meeting.

The Executive Committee meets once a month throughout the year to review, monitor and discuss the affairs of the Charity. Sub-Committees deal with certain aspects such as play selection, casting, production, and marketing reporting to the Executive Committee.

The Trustees would like to take this opportunity to thank all the members of the Executive Committee and the Sub Committees for their efforts during the year.

***Related Parties*:**
There are no formal links between the Charity and any other charities or organisations. However, the Charity does donate the tickets for the first night of each main theatre production (except the pantomime) to some 9 or so charities with local representation.

***Statements of Trustee's Responsibilities for the Accounts*:**
The Charities Act 2011 requires the Trustees to keep proper books of account with respect to the affairs of the Charity, and to prepare statements of account for each accounting period consisting of an income and expenditure account a a balance sheet. The Trustees are also responsible for safeguarding the Charity's assets, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

In preparing the accounts the Trustees are expected to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow the recommendations of the Charity Commission and of the accounting profession with regard to form and content of the accounts or to disclose and explain any departures therefrom; and
- Prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will be able to continue to meet its objectives.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

Objectives and Activities

The objectives of the Charity are to promote the art of drama and to develop the public appreciation therein, and towards these purposes, to accept subscriptions, donations, and gifts of all kinds. So as to achieve its objectives the Charity, through its members, performs several amateur drama productions during the year either in the main theatre (capacity 216) or the studio theatre (capacity 60).

Income arises from membership subscriptions, ticket sales, sponsorship, donations, external hires of both the main theatre and the studio theatre, raffles, entertainment and social evenings, sales of coffee, ice creams, sweets and from bar profits.

The Charity continually seeks sponsors for its productions and opportunities for the external hire of both theatres.

Achievement and Performance

This year saw the updating of facilities within the theatre which has improved accessibility to audience members. Our technical capabilities improve all the time so that we can light our shows more effectively which offers a wider range of lighting and effects for our directors and also we have trained some younger people in the use of new technology going forward. This opens up more opportunity for outside hires. They have increased this year by 2, with 17 hires in the current year and only 15 in the previous. However, the previous year included a large film festival hire, hence the hire income was greater last year. We were fortunate enough to host the BBC radio show for Paul Sinah last September and in the coming year we are assisting through hire of equipment and staging a TV project in the area. Our volunteers continue to strive towards improving the theatre experience and all do this while being conscious of the positive impacts on our audiences, whilst concentrating on keeping costs to a minimum. We have two young members who have taken it upon themselves to take us into the 21st century with social media which is having an impact already on audiences.

We continue to advertise the theatre to new audiences and potential new members, and we are committed to continuous learning and collaboration to ensure the ongoing success of the Royalty Theatre.

Public Benefit Statement

The trustees have had regard to the Charity Commission guidance on their legal duty on public benefit, and are satisfied that the charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

Financial Review

***Reserves*:**

The Financial results for the year to 31st March 2026 show a loss on unrestricted reserves of £24,150 (2025: Profit £1,675). However, this loss takes into account £9,373 being an underpayment for gas in 2025 which was paid in early April 2025. The loss for the year was therefore £14,777. The bar produced a profit of £10,631 (2025: 7,349), making the loss on the theatre of £25,408.

The year has seen the repair to the foyer floor and bay window which were collapsing. They have now been made safe. We have also refurbished the wooden bar and installed a handrail to the auditorium. We have organised the repainting of railings outside the theatre so that it is of a uniform colour. We have updated tech equipment with a new sound desk. The theatre is an old building and is constantly needing repairs and updates.

ROYALTY THEATRE SUNDERLAND

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

We continue to provide an excellent standard of shows and pantomime, but we still struggle for audiences. The coming season starting in September will hopefully be exciting for our audiences.

This year we celebrate our 100th Anniversary and are holding a black tie event in July for members past and present, so we hope this will be well attended.

At the end of the financial year the bank reserves were £90,080 (2025: £106,815) and total reserves to carry forward were £286,164 (2025: £310,314). The Royalty Theatre reserves policy is well met with reserves.

Risk Assessment:
The Trustees assess the major risks to which the Charity is exposed on a continual basis and are satisfied that the administrative, investment and financial procedures which are in place minimise the risk of any loss to the Charity.

Signed on behalf of the Trustees

Waine

M. Waine
Secretary

Date: 10.7.26

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ROYALTY THEATRE SUNDERLAND

I report to the trustees on my examination of the financial statements of The Royalty Theatre Sunderland ('the Charity') for the year ended 31 March 2026.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A. M. Henshaw FCCA
Torgersens
Chartered Accountants
East Suite, Ground Floor
Avalon House
St Catherine's Court
Sunderland
SR5 3XJ

Date: 14/07/26

ROYALTY THEATRE SUNDERLAND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Total Funds 2025 £
INCOME					
Donations, legacies and similar incoming resources	2	6,460	-	6,460	343
Income from charitable activities					
Theatre receipts	4	47,006	-	47,006	47,711
Bar sales		25,239	-	25,239	20,516
Other income	5	1,883	-	1,883	1,875
Income from investments	3	964	-	964	1,39
TOTAL INCOME		81,552	-	81,552	71,836
EXPENDITURE					
Expenditure on charitable activities					
Theatre running costs	6	85,585	-	85,585	54,647
Cost of running bar	7	14,608	-	14,608	13,167
Other expenditure	8	3,754	-	3,754	2,347
Irrecoverable VAT		1,755	-	1,755	-
TOTAL EXPENDITURE		105,702	-	105,702	70,161
Net income/(expenditure)		(24,150)	-	(24,150)	1,675
Transfer between funds		-	-	-	-
Net movement in funds		(24,150)	-	(24,150)	1,67′
Funds brought forward at 1 April 2025		272,648	37,666	310,314	308,639
FUNDS CARRIED FORWARD AT 31 MARCH 2026		248,498	37,666	286,164	310,314

The notes set out on pages 8 to 14 form part of these accounts

ROYALTY THEATRE SUNDERLAND

BALANCE SHEET AT 31 MARCH 2026

	Notes	2026		2025	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12		192,940		199,853
CURRENT ASSETS					
Stock		2,371		1,930	
Debtors and prepayments	13	3,951		4,910	
Cash at bank	14	90,080		106,815	
Cash in hand	15	435		344	
		96,837		113,999	
CURRENT LIABILITIES: amounts falling due within one year					
Creditors and accruals	16	3,613		3,538	
NET CURRENT ASSETS			93,224		110,461
TOTAL ASSETS			286,164		310,314
FUNDS	17				
Restricted			37,666		37,666
Unrestricted					
- designated		192,940		199,853	
- general		55,558		72,795	
			248,498		272,648
			286,164		310,314

The accounts were approved by the Trustees on 10 July '26 and signed on their behalf by:

..... Chair
A. Barella

..... Secretary
M. Waine

..... Treasurer
C. R. J. Chapman

The notes set out on pages 8 to 14 form part of these accounts

1. ACCOUNTING POLICIES

Basis of Preparation
These accounts have been prepared under the historical cost convention and in accordance with:

i) the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 (SORP 2015)

ii) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

iii) the Charities Act 2011.

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

The principal accounting policies adopted are:

a) **Accounting for income**

Cash donations, legacies, income from productions in terms of ticket sales, bar income, membership subscriptions and other income are treated as income in the year in which they are received. Income from the sale of coffees, ice creams, sweets, raffles and theatre and studio hire are included in the statement of financial activities, net of directly related expenditure, in the year to which they relate.

Income from Investments
Bank interest is included in the Statement of Financial Activities on the accrual's basis.

b) **Expenditure**

All revenue expenditure is accounted for when incurred. Expenditure relating to specialist activities or projects is shown under Charitable Activities. Expenditure relating to the general running of the charity and to adhere to laws and regulations is shown under other costs.

c) **Fixed assets**

Fixed assets are stated at cost less depreciation.

Depreciation is provided on the tangible fixed assets, at the following rates, based on the estimated useful life of these fixed assets and their anticipated residual value:

Freehold theatre	2%	straight line
New bar	10%	straight line
Bar fixtures and fittings	10%	straight line
Theatre fixtures and fittings	10%	straight line
Technical fixtures	10%	straight line

d) **Bar stocks**

Bar stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further cost of realisation.

1. ACCOUNTING POLICIES (continued)

e) **Funds**

Funds held by the charity are used for:
Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are funds which are to be used for specific purposes as laid down by the donor or by specific terms of the appeal under which the funds are raised. Expenditure which meets this criteria is charged to the fund, with a fair allocation of management and support costs.

f) **Going concern**

The trustees consider that there are no material uncertainties over the charity's ability to continue as a going concern.

2. DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

	Restricted Funds 2026 £	Unrestricted Funds 2026 £	Total Funds 2025 £
Donations	5,960	-	343
Legacies	500	-	-
	6,460	-	343

Income for the year ended 31 March 2025 consisted of £Nil unrestricted funds

3. INVESTMENT INCOME

	Unrestricted Funds 2026 £	Unrestricted Funds 2025 £
Bank interest (gross)	964	1,391

4. THEATRE RECEIPTS

	Unrestricted Funds 2026 £	Unrestricted Funds 2025 £
Membership subscriptions	3,325	3,618
Ticket sales (net of commission)	35,889	36,068
Hire of main theatre	7,792	8,025
	47,006	47,711

5. OTHER INCOME	Unrestricted Funds 2026 £	Unrestricted Funds 2025 £
Entertainment committee	-	33
Insurance monies received	619	-
Net income from sale of sweets		
Coffees, ice creams and raffle tickets etc	1,264	1,842
	1,883	1,875

6. THEATRE RUNNING COSTS	2026 £	2025 £
Production costs	3,547	2,010
Royalties	3,789	3,136
Publicity (net of grants)	2,149	811
Wages and cleaning	13,554	12,486
Repairs and renewals	17,692	5,946
Insurance	6,089	5,712
Printing, postage and stationery	324	280
Rates and council tax	1,160	1,028
Heat, light and water	23,544	9,271
Telephone	369	609
Depreciation	11,274	11,067
LTG conference costs	80	357
Bank charges	460	359
HMRC Charges	44	-
Sum up charges	516	440
Website	-	16
Scripts net of sales	524	543
Donations	-	-
Loss on disposal of assets	235	258
TV Licence and Software	235	318
	85,585	54,647

Theatre running costs were £85,585 (2025: £54,647) of which £85,585 was unrestricted (2025: £54,647) and £nil was restricted (2025: £nil).

7. COSTS OF RUNNING BAR	Unrestricted Funds 2026 £	Unrestricted Funds 2025 £
Cost of bar sales	13,218	12,222
Expenses	1,149	737
Depreciation of fixtures and fittings	241	208
	14,608	13,167

8. OTHER EXPENDITURE

	Unrestricted Funds 2026 £	Unrestricted Funds 2025 £
Subscriptions and licences	1,095	473
Sundries	909	124
Professional fees	1,750	1,750
	3,754	2,347

9. EMPLOYEES

During the current and preceding year The Royalty Theatre employed no key management personnel.
During the current and preceding year the Royalty Theatre employed one member of staff.
The employee has had no employee benefits in excess of £60,000 (2025: £nil)

10. TRUSTEES

No Trustee received or is due to receive any remuneration or reimbursement of expenses directly or indirectly from the charity funds.

11. TAXATION

The charity considers its activities to be exempt from corporation tax by virtue of Section 505 of the Income and Corporation Taxes Act 1988.

12. TANGIBLE FIXED ASSETS

	Freehold Theatre £	New Bar £	Theatre £	Technical Equipment £	Bar £	Total £
Cost						
At 1 April 2025	227,184	7,784	116,531	12,795	3,465	367,759
Additions	650	-	486	3,375	326	4,837
Disposals	-	-	(3,188)	-	-	(3,188)
At 31 March 2026	227,834	7,784	113,829	16,170	3,791	369,408
Depreciation						
At 1 April 2025	61,961	7,783	86,641	8,962	2,559	167,906
Charge for year	4,557	-	5,241	1,476	241	11,515
Disposals	-	-	(2,953)	-	-	(2,953)
At 31 March 2026	66,518	7,783	88,929	10,438	2,800	176,468
Net Book Value						
At 31 March 2026	161,316	1	24,900	5,732	991	192,940
At 31 March 2025	165,223	1	29,890	3,833	906	199,853

13. DEBTORS AND PREPAYMENTS	2026	2025
	£	£
Other debtors	370	157
Prepayments	3,581	3,738
VAT	-	1,015
	3,951	4,910

14. CASH AT BANK	2026	2025
	£	£
Royal Bank of Scotland plc	90,080	106,815

15. CASH IN HAND	2026	2025
	£	£
Theatre float	355	314
Bar	30	30
Entertainment Float	50	-
	435	344

16. CREDITORS : Amounts falling due within one year	2026	2025
	£	£
Other creditors and accruals	3,058	3,538
VAT	555	-
	3,613	3,538

17. FUNDS

	B/fwd @ 01.04.25	Income	Expenditure	Transfers	Balance @ 31.03.26
Unrestricted Funds					
Designated					
Capital account	199,853	-	(11,515)	4,602	192,940
General fund	72,795	81,552	(94,187)	(4,602)	55,558
Total Unrestricted Funds	272,648	81,552	(105,702)	-	248,498
Restricted Funds					
Refurbishment fund	37,666	-	-	-	37,666
Total Funds	310,314	81,552	(105,702)	-	286,164

FUNDS – prior year	B/fwd @ 01.04.24	Income	Expenditure	Transfers	Balance @ 31.03.25
Unrestricted Funds					
Designated					
Capital account	206,460	-	(10,299)	3,692	199,853
General fund	64,513	71,836	(59,862)	(3,692)	72,795
Total Unrestricted Funds	270,973	71,836	(70,161)	-	272,648
Restricted Funds					
Refurbishment fund	37,666	-	-	-	37,666
Total Funds	308,639	71,836	(70,161)	-	310,314

The capital account represents the net book value of tangible fixed assets held at the balance sheet date. Transfers represent the movement in assets during the year.

The restricted refurbishment fund represents donations and grants received from fundraising undertaken specifically for refurbishment plans.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted	Unrestricted		Total
		General	Designated	
	£	£	£	£
Fixed assets	-	-	192,940	192,940
Net current assets	37,666	55,558	-	93,224
	37,666	55,558	192,940	286,164

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS- prior year

	Restricted	Unrestricted		
		General	Designated	Total
	£	£	£	£
Fixed assets	-	-	199,853	199,853
Net current assets	37,666	72,795	-	110,461
	37,666	72,795	199,853	310,314

ROYALTY THEATRE SUNDERLAND

BAR PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2026

	2026		2025	
	£	£	£	£
SALES		25,239		20,516
DEDUCT: COST OF SALES				
Stock at 1 April 2025	1,375		947	
Add: Purchases	13,855		12,650	
	15,230		13,597	
Less: Stock at 31 March 2026	2,012	13,218	1,375	12,222
GROSS PROFIT	(47.63%)	12,021	(40.4%)	8,294
DEDUCT: EXPENSES				
Glasses	64		-	
Tumblers	280		167	
Wastage	285		133	
Cleaning & stationery	520	1,149	437	737
		10,872		7,557
DEDUCT: DEPRECIATION				
Fixtures and fittings		241		208
NET PROFIT		10,631		7,349