

THEATRE ROYAL HAYMARKET LIMITED
FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 26 MARCH 2023

Company Registration Number 00242846



THEATRE ROYAL HAYMARKET LIMITED
FINANCIAL STATEMENTS
52 WEEKS ENDED 26 MARCH 2023

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THEATRE ROYAL HAYMARKET LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
52 WEEKS ENDED 26 MARCH 2023

The board of directors	Access Industries Management, LLC D Cohen N P Everett S J Hendry
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Company secretary	S Faulkner
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Business address	18 Suffolk Street London SW1Y 4HT
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Registered office	18 Suffolk Street London SW1Y 4HT
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Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
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THEATRE ROYAL HAYMARKET LIMITED
STRATEGIC REVIEW
52 WEEKS ENDED 26 MARCH 2023

The directors present their strategic report of the company for the 52 weeks ended 26 March 2023.

Principal activities and business review

The principal activity of the company is to provide stage entertainment.

The company runs the Theatre Royal Haymarket, both hosting productions and financing and producing work in that and other venues. The Board's objective is to ensure a stable flow of productions attracting a discerning audience and to provide a safe and elegant environment in which to accommodate them. The nature of the theatrical business and variations in the proportion of hosted and produced work creates fluctuations in turnover and profitability from year to year.

Unlike the trials and tribulations that resulted last year in a post pandemic theatre world, this financial year was relatively simple. Covid 19 restrictions on theatres have been lifted allowing the theatre to return to normality and welcome patrons with no limitations.

Only Fools and Horses the Musical, our longest running show, played for the whole 52 weeks this financial year. *The Tiger Who Came To Tea* also played for 8 weeks over the Summer and we welcomed *Peppa Pig* performances back to our stage for 4 weeks over the Christmas period too. We additionally housed a few one off Sunday performances of varying genres which have been a welcome addition to the theatre program and we hope to continue with these in the coming years.

As we look ahead to next year, we have significant advance sales in the bank for the final month of *Only Fools and Horses* with performances at over 95% capacity most nights. It goes without saying we will be sad to see it go especially after its long and successful run at our theatre. Advances are also building for *The Tiger Who Came To Tea* which will once again be returning to our stage this Summer and transferring from a successful run at the Lyric Theatre Hammersmith, we open with *The Accidental Death of an Anarchist* on 12 June 2023.

The group are looking forward to reviving the theatres tradition of being one of the West End's greatest playhouses through 2023 and are working on a program of excellent plays this year to aid this. The group balance sheet remains strong and will support us this coming year and we are thrilled to be able to retain our wealth of enthusiastic and professional staff too, enabling the group to retain its reputation for excellence in London's vibrant West End.

Financial risk management

The group transacts its business in Pounds Sterling and is therefore not exposed to currency risk arising from exchange rate fluctuation.

The group makes little use of financial instruments other than operational bank accounts and high interest deposit accounts, which is used to manage its cash flow during the financial year.

Its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

THEATRE ROYAL HAYMARKET LIMITED
STRATEGIC REVIEW
52 WEEKS ENDED 26 MARCH 2023

Key performance indicators

The company considers its key performance indicators to be:-

- Number of dark weeks: 2023 - Nil (2022 - 9)
- Average % capacity: 2023 – 78% (2022 – 61%)
- Average ticket selling price: 2023 – £42.01 (2022 - £48.20)

Signed on behalf of the directors

Danny Cohen

D Cohen
Director

Approved by the board of directors on 11/22/2023

THEATRE ROYAL HAYMARKET LIMITED

DIRECTORS' REPORT

52 WEEKS ENDED 26 MARCH 2023

The directors present their report and the financial statements of the company for the 52 weeks ended 26 March 2023.

Principal activities and business review

The principal activity of the company during the 52 weeks was the provision of stage entertainment. The Profit and Loss Account is set out on page 11.

Directors

The directors who served the company during the 52 weeks were as follows:

Access Industries Management, LLC

D Cohen

N P Everett

L Westray – resigned 20 June 2022

S J Hendry – appointed 4 July 2022

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare annual financial statements. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for those 52 weeks.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

THEATRE ROYAL HAYMARKET LIMITED

DIRECTORS' REPORT

52 WEEKS ENDED 26 MARCH 2023

Going concern

The theatre has enjoyed a long and successful run with *Only Fools and Horses* which has exceeded all expectations financially and the directors believe the company has built sufficient cash reserves available to continue as a going concern for the foreseeable future despite the show closing on 29 April 2023.

The theatre has worked hard to conclude the program for the remainder of the year but given the short notice period for closure of *Only Fools and Horses* it was difficult to secure another production to take its place immediately and we opened with *The Accidental Death of an Anarchist* on 12 June 2023. *The Tiger Who Came To Tea* returned again this year and opened on the 10 July 2023 for a period of 8 weeks playing alongside *The Accidental Death of an Anarchist*. Following this, *Noises Off* is making its return to the West End from 27 September 2023 until Christmas as well as *Peppa Pig* which will return to us during December 2023. With the final piece of our programming for the year being Oscar Wilde's *A Picture of Dorian Gray* starring Sarah Snook to close out the year. We expect the show will be a great success and we are already experiencing a high volume of advance bookings.

Although the year ahead will have longer than expected dark periods, we are confident that the cash built from previous years will support us and that now with more time on our side we can move forwards more assured and can reduce the amount of dark weeks anticipated.

Auditor

Saffery LLP was re-appointed as auditor in the year and has expressed its willingness to continue in office.

Matters covered in the strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and financial risk management.

Signed by order of the directors

Danny Cohen

D Cohen
Director

Approved by the board of directors on 11/22/2023

THEATRE ROYAL HAYMARKET LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THEATRE
ROYAL HAYMARKET LIMITED
52 WEEKS ENDED 26 MARCH 2023

Opinion

We have audited the financial statements of Theatre Royal Haymarket Limited for the 52 week period ended 26 March 2023 which comprise of the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 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 company's affairs as at 26 March 2023 and its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

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

THEATRE ROYAL HAYMARKET LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THEATRE
ROYAL HAYMARKET LIMITED

52 WEEKS ENDED 26 MARCH 2023

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

THEATRE ROYAL HAYMARKET LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THEATRE
ROYAL HAYMARKET LIMITED
52 WEEKS ENDED 26 MARCH 2023

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed

THEATRE ROYAL HAYMARKET LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THEATRE
ROYAL HAYMARKET LIMITED

52 WEEKS ENDED 26 MARCH 2023

whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditor's report.

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

 Saffery LLP

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J Cassell (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Dated 23 November 2023

THEATRE ROYAL HAYMARKET LIMITED
PROFIT AND LOSS ACCOUNT
52 WEEKS ENDED 26 MARCH 2023

		52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
Turnover	Note 3	6,139,597	4,652,806
Cost of sales		(514,774)	(550,485)
Gross profit		<u>5,624,823</u>	<u>4,102,321</u>
Administrative expenses		(3,620,802)	(2,916,446)
Other income	4	(150,000)	93,496
Operating profit	5	<u>1,854,021</u>	<u>1,279,371</u>
Interest receivable	8	22,897	308
Profit on ordinary activities before taxation		<u>1,876,918</u>	<u>1,279,679</u>
Tax on profit on ordinary activities	9	(270,552)	(2,791)
Total comprehensive income for the 52 weeks		<u><u>1,606,366</u></u>	<u><u>1,276,888</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the 52 weeks as set out above.

THEATRE ROYAL HAYMARKET LIMITED

Registered Number 00242846

BALANCE SHEET**26 MARCH 2023**

	Note	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		524,415		561,193
Current assets					
Stocks	11	22,971		18,422	
Investments	12	735,000		525,000	
Debtors	13	982,761		1,400,232	
Cash at bank and in hand		5,630,750		4,779,995	
		<u>7,371,482</u>		<u>6,723,649</u>	
Creditors: Amounts falling due within one year	15	<u>(7,590,753)</u>		<u>(7,100,572)</u>	
Net current (liabilities)/assets			<u>(219,271)</u>		<u>(376,923)</u>
Total assets less current liabilities			305,144		184,270
Provisions for liabilities	14		<u>(61,972)</u>		<u>(44,464)</u>
Net assets			<u>243,172</u>		<u>136,806</u>
Capital and reserves					
Called-up share capital	18		30,000		30,000
Profit and loss account			213,172		106,806
Shareholder's funds			<u>243,172</u>		<u>136,806</u>

These accounts were approved by the directors and authorised for issue on 11/22/2023
and are signed on their behalf by:

Danny Cohen

D Cohen
Director

The notes on pages 13 to 23 form part of these financial statements.

THEATRE ROYAL HAYMARKET LIMITED*Registered Number 00242846***STATEMENT OF CHANGES IN EQUITY****26 MARCH 2023**

	Notes	Share Capital £	Profit and loss reserve £	Total £
Balance at 28 March 2021		30,000	(420,082)	(390,082)
52 weeks ended 27 March 2022:				
Profit and total comprehensive income for the 52 week period		-	1,276,888	1,276,888
Dividend			(750,000)	(750,000)
Balance at 27 March 2022		30,000	106,806	136,806
52 weeks ended 26 March 2023:				
Profit and total comprehensive income for the 52 week period		-	1,606,366	1,606,366
Dividend			(1,500,000)	(1,500,000)
Balance at 26 March 2023	18	30,000	213,172	243,172

The notes on pages 13 to 23 form part of these financial statements.

THEATRE ROYAL HAYMARKET LIMITED

Registered Number 00242846

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023

1. Accounting policies

Company information

Theatre Royal Haymarket Limited is a private company limited by shares incorporated in England and Wales. The registered office is 18 Suffolk Street, London, SW1Y 4HT.

Basis of accounting

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

The financial statements are prepared in Pounds Sterling, which is the functional currency of the company.

FRS 102 disclosure exemptions

Theatre Royal Haymarket Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of disclosure exemptions available to it in accordance with paragraph 1.12 of FRS 102. Exemptions have been taken in relation to:

- Financial instruments
- Presentation of a cash flow statement
- Compensation of key management personnel
- Related party disclosures

Theatre Royal Haymarket Limited is a wholly owned subsidiary of Louis I Michaels Limited and the results of Theatre Royal Haymarket Limited are included in the consolidated financial statements of Louis I Michaels Limited which are available from Companies House.

Going concern

The theatre has enjoyed a long and successful run with *Only Fools and Horses* which has exceeded all expectations financially and the directors believe the company has built sufficient cash reserves available to continue as a going concern for the foreseeable future despite the show closing on 29 April 2023.

The theatre has worked hard to conclude the program for the remainder of the year but given the short notice period for closure of *Only Fools and Horses* it was difficult to secure another production to take its place immediately and we opened with *The Accidental Death of an Anarchist* on 12 June 2023. *The Tiger Who Came To Tea* returned again this year and opened on the 10 July 2023 for a period of 8 weeks playing alongside *The Accidental Death of an Anarchist*. Following this, *Noises Off* is making its return to the West End from 27 September 2023 until Christmas as well as *Peppa Pig* which will return to us during December 2023. With the final piece of our programming for the year being Oscar Wilde's *A Picture of Dorian Gray* starring Sarah Snook to close out the year. We expect the show will be a great success and we are already experiencing a high volume of advance bookings.

Although the year ahead will have longer than expected dark periods, we are confident that the cash built from previous years will support us and that now with more time on our side we can move forwards more assured and can reduce the amount of dark weeks anticipated.

THEATRE ROYAL HAYMARKET LIMITED

Registered Number 00242846

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023

1. Accounting policies (*continued*)

Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable relating to performance rental and related income net of VAT. Revenue is recognised when the performance has taken place. Revenue received, including any restoration levy or commission, in respect of performances after the period end is included within other creditors. Bar and catering revenue is recognised on the day it is received. Production management revenue is recognised when it is contractually due.

Fixed assets

Tangible fixed assets are initially measured at costs and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Leasehold Property	-	Term of lease
Fixtures and Fittings	-	3 to 20 years
Computer Equipment	-	3 years

Expenditure on IT equipment and assets purchased for specific productions are written off in the 52 week period of purchase.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

THEATRE ROYAL HAYMARKET LIMITED

Registered Number 00242846

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023

1. Accounting policies (*continued*)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Investments

Current asset investments represent short term investments in theatrical productions.

Stocks

Stocks are goods for resale and are valued at the lower of cost and net realisable value.

Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" to its financial statements. Financial instruments are recognised in the balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and assets are offset and 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.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

THEATRE ROYAL HAYMARKET LIMITED

Registered Number 00242846

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023

1. Accounting policies (*continued*)

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Income tax

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Government grant

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Investments

The directors value investments in theatrical productions based on the financial reports, receipts and notifications received from the individual productions invested in.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THEATRE ROYAL HAYMARKET LIMITED*Registered Number 00242846***NOTES TO THE FINANCIAL STATEMENTS****FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023****3. Turnover**

The turnover and profit before tax are attributable to the principal activity of the company and arose solely in the United Kingdom.

4. Government grants

During the 52 week period, other income of £Nil (2022 - £93,496) was received relating to the Government Coronavirus Job Retention Scheme. No conditions or contingencies are attached to the government grant and amounts do not require to be repaid.

5. Operating profit

Operating profit is stated after charging:

	52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
Depreciation of owned fixed assets	67,599	57,674
Loss on disposal of fixed assets	11,409	-
Auditor's remuneration	22,750	10,500
Expenses of defined contribution pension scheme	78,956	65,140
Stock recognised as an expense	22,589	245
Operating lease costs:		
-Other	<u>1,000</u>	<u>923</u>

6. Particulars of employees

The average number of staff employed by the company during the financial 52 weeks amounted to:

	52 weeks ended 26 Mar 23 No	52 weeks ended 27 Mar 22 No
Number of administrative staff	77	68
Number of management staff	<u>1</u>	<u>1</u>

THEATRE ROYAL HAYMARKET LIMITED*Registered Number 00242846***NOTES TO THE FINANCIAL STATEMENTS****FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023****6. Particulars of employees (continued)**

The aggregate payroll costs of the above were:

	52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
Wages and salaries	2,066,605	1,947,878
Social security costs	197,258	151,013
Other pension costs	78,956	65,140
	<u>2,342,819</u>	<u>2,164,031</u>

7. Directors' remuneration

The aggregate remuneration of the directors, who are key management, in respect of qualifying services was:

	52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
Aggregate remuneration	180,000	110,000
Value of company pension contributions to money purchase schemes	8,947	8,800
	<u>188,947</u>	<u>118,800</u>

Those directors who are also directors of parent company, Louis I Michaels Limited, received no remuneration from Theatre Royal Haymarket Limited.

This information is included within the figures disclosed in Note 6.

The number of directors on whose behalf the company made pension contributions was as follows:

	52 weeks ended 26 Mar 23 No	52 weeks ended 27 Mar 22 No
Money purchase schemes	<u>1</u>	<u>1</u>

THEATRE ROYAL HAYMARKET LIMITED*Registered Number 00242846***NOTES TO THE FINANCIAL STATEMENTS****FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023**

8. Interest receivable

	52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
Bank interest receivable	<u>22,897</u>	<u>308</u>

9. Taxation on ordinary activities**(a) Analysis of charge in the 52 weeks**

	52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
In respect of the 52 weeks:		
UK Corporation tax based on the results for the 52 weeks at 19% (2022 - 19%)	<u>256,044</u>	-
	256,044	-
Deferred tax:		
Origination and reversal of timing differences	<u>14,508</u>	<u>2,791</u>
Tax on profit on ordinary activities	<u>270,552</u>	<u>2,791</u>

THEATRE ROYAL HAYMARKET LIMITED

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023****9. Taxation on ordinary activities (continued)****(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the 52 weeks is higher than the standard rate of corporation tax in the UK of 19% (2022 - 19%).

	52 weeks ended 26 Mar 23 £	52 weeks ended 27 Mar 22 £
Profit on ordinary activities before taxation	1,876,918	1,279,679
Profit on ordinary activities by rate of tax	356,614	243,139
Effects of:		
Expenses not deductible for tax purposes	30,862	1,161
Losses utilised	(85,834)	(244,981)
Fixed asset timing differences	3,097	681
Deferred tax provided	14,508	2,791
Group relief	(48,725)	-
Total current tax (note 9(a))	270,522	2,791

10. Tangible fixed assets

	Leasehold property £	Fixtures and Fittings £	Computer Equipment	Total £
Cost				
At 27 March 2022	440,256	804,784	17,237	1,262,277
Additions	-	40,423	1,807	42,230
Disposals	-	(29,907)	-	(29,907)
At 26 March 2023	440,256	815,300	19,044	1,274,600
Depreciation				
At 27 March 2022	175,265	525,354	465	701,084
Charge for the 52 weeks	5,000	56,251	6,348	67,599
Written off on disposals	-	(18,498)	-	(18,498)
At 26 March 2023	180,265	563,107	6,813	750,185
Net book value				
At 26 March 2023	259,991	252,193	12,231	524,415
At 27 March 2022	264,991	279,430	16,772	561,193

Leasehold Property

In the opinion of the directors the market value of the leasehold property is substantially in excess of the amount at which it is shown in the financial statements.

THEATRE ROYAL HAYMARKET LIMITED*Registered Number 00242846***NOTES TO THE FINANCIAL STATEMENTS****FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023****11. Stocks**

	2023	2022
	£	£
Stock	<u>22,971</u>	<u>18,422</u>

12. Investments

	2023	2022
	£	£
Current asset investments	<u>735,000</u>	<u>525,000</u>

This represents investment in forthcoming theatrical productions.

13. Debtors

	2023	2022
	£	£
Trade debtors	290,124	398,131
Other debtors	427,010	334,723
VAT recoverable	265,627	667,378
	<u>982,761</u>	<u>1,400,232</u>

14. Deferred taxation

The deferred tax is as follows:

	52 weeks ended 26 Mar 23	52 weeks ended 27 Mar 22
	£	£
At 27 March 2022	47,464	44,673
Profit and loss account movement arising during the 52 weeks	<u>14,508</u>	<u>2,791</u>
At 26 March 2023	<u>61,972</u>	<u>47,464</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2023	2022
	£	£
Excess/(deficit) of depreciation over capital allowances	<u>61,972</u>	<u>47,464</u>
	<u>61,972</u>	<u>47,464</u>

THEATRE ROYAL HAYMARKET LIMITED*Registered Number 00242846*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2023

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	521,920	362,236
Amounts payable to group companies	3,195,055	3,543,319
Other taxation and social security	271,602	22,957
Other creditors	2,102,176	2,422,060
Dividend payable	1,500,000	750,000
	<u>7,590,753</u>	<u>7,100,572</u>

There is also an intercompany guarantee in place with the parent company Louis I Michaels Limited in the form of a group set-off facility with the bank.

16. Commitments under operating leases

At 26 March 2023 the company had annual commitments under non-cancellable operating leases as set out below.

	2023	2022
	Land and buildings £	Land and buildings £
Operating leases which expire:		
Within 1 year	1,000	1,000
Between 2 and 5 years	4,000	4,000
After more than 5 years	57,000	58,000
	<u>62,000</u>	<u>63,000</u>

17. Related party transactions

As a wholly owned subsidiary, Theatre Royal Haymarket Limited has taken advantage of the exemption in FRS 102 Section 33 "Related Party Transactions" not to disclose transactions with Louis I Michaels Limited, the parent company.

There were no transactions with key management during the year.

All intercompany balances are considered to be repayable on demand and bear no interest. No guarantees were given by the directors in the year.

18. Share capital**Allotted, called up and fully paid:**

	2023		2022	
	No	£	No	£
Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>

Each share is entitled to one vote in any circumstances.

THEATRE ROYAL HAYMARKET LIMITED

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NOTES TO THE FINANCIAL STATEMENTS (*continued*)

26 MARCH 2023

19. Control

The company is a wholly owned subsidiary of Louis I Michaels Limited, a company incorporated in England and Wales. The ultimate controlling party is Mr L Blavatnik the majority shareholder of the ultimate parent company.