Company Registration No. 2228390

New London Theatre Limited

Annual Report and Financial Statements

30 June 2013

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New London Theatre Limited

Report and financial statements 2013

Contents

New London Theatre Limited

Report and financial statements 2013

Officers and professional advisers

Directors

B D Chakraborty
M G Wordsworth

Secretary

B D Chakraborty

Registered Office

65 Drury Lane
London
WC2B 5SP

Bankers

Handelsbanken
London West End
5th Floor
13 Charles II Street
London
SW1Y 4QU

Auditor

Deloitte LLP
Chartered Accountants
London

New London Theatre Limited

Directors' report

The directors present their annual report and the audited financial statements for the 52 weeks ended 30 June 2013 (2012 52 weeks ended 1 July 2012)

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006

Business review and principal activities

The company is a wholly owned subsidiary of Really Useful Theatres Group Limited, which is part of the Really Useful Investments Limited group The company's principal activity is the ownership of a 50% interest in The Adelphi Theatre Company Limited

Turnover is in line with the prior period The profit for the period, after taxation, amounted to £1,341,000 (2012 £621,115) During the period, the company received £900k of dividends from The Adelphi Theatre Company Limited (2012 £225k)

The balance sheet on page 7 of the financial statements shows that the company's financial position at period end, in net asset terms, has improved on the prior period This is due to the profits earned during the current period

The Really Useful Investments Limited group, of which the company is a member, actively manages the cash position of the group The company minimises any liquidity risk by having access to a group credit facility to fund any short term operational deficiencies

Principal risks and uncertainties

The company faces competitive pressures from other theatre owning groups in London to attract and stage productions The Really Useful Investments Limited group has focused its attentions on owning and managing only music houses This will enable the company to be best placed to attract productions to its music house by being focused on providing a quality service to producers, being able to react quickly to producer queries and to maintaining and developing strong relationships with new and continuing theatre producers

The Really Useful Investments Limited group is financed through a third party lender, Handelsbanken The group's borrowings have a variable interest rate However, the group's interest rate exposure is reduced as the group has hedging arrangements in the form of an interest rate swap which fixes the interest rate of part of the borrowings No interest rate derivatives are held by the company The company does not hold any of the group's external debt (2012 £nil) Handelsbanken has a charge over the company's assets Under the banking terms, the group debt is not due for repayment until February 2020 with low level amortisation repayments due annually

There are no foreign operations of the company and all transactions are conducted in sterling The company minimises any liquidity risk by having access to other group companies to fund any short term operational deficiencies The group has in place a £10m credit facility in order to meet its day-to-day working capital requirements

Dividends

The directors do not recommend the payment of a dividend (2012 £nil)

Directors

The directors, who served throughout the period and to the date of this report, were as follows

B D Chakraborty
M G Wordsworth

New London Theatre Limited

Directors' report (continued)

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Accordingly, 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 within the principal accounting policies in the notes to the financial statements

Environment

The Really Useful Investments Limited group recognises the importance of its environmental responsibilities and implements policies to reduce any damage that might be caused by the group's activities The company operates in accordance with group policies and initiatives designed to minimise the company's impact on the environment These policies include recycling and reduction of energy consumption

Auditor

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

Approved by the Board and signed on its behalf by

M G Wordsworth
Director

18 December 2013

65 Drury Lane
London
WC2B 5SP

New London Theatre Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year 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 that year 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to 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

Independent auditor's report to the members of New London Theatre Limited

We have audited the financial statements of New London Theatre Limited for the period ended 30 June 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 18 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its profit 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

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

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

Robert Matthews

Robert Matthews (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

18 December 2013

New London Theatre Limited

Profit and loss account
52 weeks ended 30 June 2013

	Notes	52 weeks ended 30 June 2013 £	52 weeks ended 1 July 2012 £
Turnover		605,490	589,911
Administrative expenses		(21,992)	(50,639)
Operating profit	2	583,498	539,272
Income from interest in joint venture		900,002	225,000
Interest receivable	5	606	9,412
Interest payable	6	(65)	(9,412)
		900,543	225,000
Profit on ordinary activities before taxation		1,484,041	764,272
Tax charge on profit on ordinary activities	7	(143,041)	(143,157)
Retained profit for the financial period	15	1,341,000	621,115

All activities relate to continuing operations

No statement of total recognised gains and losses has been presented on the grounds that there are no differences between reported profit and total recognised gains or losses in either the current or prior period

The accompanying notes form an integral part of this profit and loss account

New London Theatre Limited

Balance sheet
30 June 2013

	Notes	30 June 2013 £	1 July 2012 £
Fixed assets			
Tangible fixed assets	8	2,725,019	2,725,019
Investments	9	850,100	867,808
		3,575,119	3,592,827
Current assets			
Debtors	10	7,539,453	5,941,397
Cash at bank and in hand		14,534	358,742
		7,553,987	6,300,139
Creditors. amounts falling due within one year	11	(153,902)	(337,063)
Net current assets		7,400,085	5,963,076
Total assets less current liabilities		10,975,204	9,555,903
Net assets		10,975,204	9,555,903
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account	14	10,975,104	9,555,803
Shareholder's funds	15	10,975,204	9,555,903

The accompanying notes form an integral part of this balance sheet

The financial statements of New London Theatre Limited, registered number 2228390, were approved by the board of directors and authorised for issue on 18 December 2013

They were signed on its behalf by

B D Chakraborty
Director

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

1. **Principal accounting policies**

The principal accounting policies are summarised below They have all been applied consistently throughout the period and also the preceding financial period

Basis of presentation

The company's accounting period covers the 52 weeks ended 30 June 2013 The comparative period covered the 52 weeks ended 1 July 2012

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for the non depreciation of certain fixed assets as described below, and in accordance with applicable United Kingdom Accounting Standards

Basis of preparation

The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to prepare group accounts The accounts present information about the company as an individual undertaking and not about its group

Cash flow statement

As the company is a wholly owned subsidiary of Really Useful Investments Limited, the cash flows of the company are included in the consolidated cash flow statement of Really Useful Investments Limited The company is exempt under the terms of FRS 1 *(Revised 1996) Cash Flow Statements* from publishing a cash flow statement

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review on page 2 The Directors' Report on pages 2 to 3 describes the financial position of the company, liquidity position and borrowing facilities, the company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposure to credit risk and liquidity risk

At the balance sheet date the company has net assets of £11 0m, underpinned by intercompany receivables from parent undertakings and fixed assets The parent undertakings are able to meet their obligations to the company

The group has in place a credit facility, to which the company has access, in order to meet its day-to-day working capital requirements

The company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the company should be able to operate within the level of its current facility

During the current year the group re-financed its debt and changed bankers from Bank Of Scotland to Handelsbanken The group's new banking facility with Handelsbanken is due for repayment in February 2020

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

Investments

Fixed asset investments are shown at cost or market value, less amortisation on premiums paid Where market value is less than cost and this is considered to represent an impairment, full provision for the unrealised loss is charged against the profit and loss account Income from the company's investments is recognised on an accruals' basis

Notes to the financial statements
52 weeks ended 30 June 2013

1. Principal accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment Depreciation is provided on all tangible fixed assets, other than the freehold of the theatre, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows

Furniture, fixtures and fittings	3 – 4 years

The company does not depreciate its freehold theatre The property is regularly maintained to a high standard and the costs of maintenance are charged to the profit and loss account as incurred Consequently the directors believe that, after taking into account the residual value of the property based on prices prevailing at the date of acquisition or subsequent revaluation, any element of depreciation would be immaterial The directors perform an impairment review of the value of the theatre annually Any impairment would be charged through the profit and loss account in the year in which it was identified

Non depreciation of freehold land and buildings represents a departure from the Companies Act 2006 The directors believe that this treatment ensures that the financial statements show a true and fair view

Turnover

The turnover and profit before taxation are attributable to the part ownership of the Adelphi Theatre Turnover is derived from rental income and management fees from The Adelphi Theatre Company Limited Turnover is stated exclusive of Value Added Tax and arises solely within the United Kingdom

Interest

Interest income represents bank interest received

Interest payable represents the interest paid to another group company

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date

Group relief

The company and its related companies utilise the application of group relief whereby current year tax losses from one company will be surrendered to a company with current year taxable profits The amount surrendered from the loss-making company will not exceed the amount of the profit-making company's taxable profits

To the extent that losses are surrendered to shelter profits recognised in the accounts, the profit-making company will utilise the tax loss surrendered and book an amount equivalent to the tax saving in its intercompany account

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

1. Principal accounting policies (continued)

Deferred taxation

Deferred taxation is accounted for in accordance with FRS19 *Deferred Tax* Deferred tax is provided for in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at the rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered Deferred tax assets and liabilities are not discounted

2. Operating profit

Operating profit is stated after charging

	30 June 2013 £	1 July 2012 £
Amortisation of investment in joint venture	17,708	42,500
The analysis of auditor's remuneration is as follows		
Fees payable to the company's auditor for the audit of the company's annual accounts	4,000	6,504

No amounts for other services have been paid to the auditor (2012 £nil)

3. Directors' emoluments

The directors received no remuneration from the company during the period (2012 £nil) Directors are remunerated by group holding companies It is impractical to split this remuneration between group subsidiaries

4. Staff costs

The company did not incur any current or prior period staff costs

5 Interest receivable

	30 June 2013 £	1 July 2012 £
Bank interest	606	9,412

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

6. Interest payable

	30 June 2013 £	1 July 2012 £
Interest payable to group undertaking	65	9,412
	65	9,412

7 Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows	30 June 2013 £	1 July 2012 £
Current tax		
UK corporation tax		
Group relief – current period	(142,289)	(146,671)
Prior period adjustments	-	-
Total current tax charge	(142,289)	(146,671)
Deferred taxation		
Deferred taxation (charge)/credit	(752)	3,514
Total profit and loss account tax credit	(143,041)	(143,157)

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

7. **Tax on profit on ordinary activities (continued)**

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period differs from the standard rate of corporation tax in the UK of 23 75% (2012 25 5%) The differences are reconciled below

	30 June 2013 £	1 July 2012 £
Profit on ordinary activities before tax	1,484,041	764,272
UK corporation tax charge at 23 75% (2012 25 5%)	(352,460)	(194,889)
Effects of		
Expenses not deductible for tax purposes	(4,205)	(10,838)
Non-taxable income	213,750	57,375
Capital allowances in excess of depreciation	626	905
Movement in short term timing differences	-	776
Prior period adjustments	-	-
Total current tax charge for the period	(142,289)	(146,671)

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

8. Tangible fixed assets

	Freehold land and buildings £	Total £
Cost or valuation		
At 2 July 2012	3,088,501	3,088,501
Disposals	-	-
At 30 June 2013	3,088,501	3,088,501
Depreciation		
At 2 July 2012	(363,482)	(363,482)
Disposals	-	-
At 30 June 2013	(363,482)	(363,482)
Net book value		
At 30 June 2013	2,725,019	2,725,019
At 1 July 2012	2,725,019	2,725,019

9 Investments

	Shares in joint venture undertaking £
Cost or valuation	
At 1 July 2012 and at 30 June 2013	1,700,100
Amortisation on premium paid	
At 2 July 2012	(832,292)
Charge for the period	(17,708)
At 30 June 2013	(850,000)
Net book value	
At 30 June 2013	850,100
At 1 July 2012	867,808

The investment represents 50% of the issued ordinary share capital of The Adelphi Theatre Company Limited, a company incorporated in the United Kingdom This company is involved in the business of theatre management

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

10. Debtors

	2013 £	2012 £
Trade debtors	2,100	-
Amounts owed by parent undertakings	1,766,103	570,000
Amounts owed by group undertakings	5,768,488	5,367,883
Deferred tax asset (see note 12)	2,762	3,514
	7,539,453	5,941,397

11. Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	-	81,002
Group relief owed to group undertakings	142,289	242,086
VAT	7,607	7,411
Accruals and deferred income	4,006	6,564
	153,902	337,063

12. Deferred taxation

	2013 £	2012 £
Opening deferred tax balance	3,514	-
(Debit)/credit to profit and loss account	(752)	3,514
Closing deferred tax balance	2,762	3,514

An analysis of the deferred taxation balance is as follows

	2013 £	2012 £
Depreciation in excess of capital allowances	2,762	3,514
Short term timing differences	-	-
	2,762	3,514

A deferred tax asset of £2,762 has been recognised in the current year (2012 £3,514)

New London Theatre Limited

Notes to the financial statements
52 weeks ended 30 June 2013

13 Called up share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

14. Profit and loss account

	£
At 2 July 2012	9,555,803
Retained profit for the period	1,341,000
Capital contribution	78,301
At 30 June 2013	10,975,104

The current period included the waiver of intercompany debt owed by the company to its parent as a part of the demerger of the Really Useful Investments Limited Group on 27 July 2012 This debt waiver has taken the form of a capital contribution to the company's profit and loss account reserve

15 Reconciliation of movements in shareholder's funds

	Note	2013 £	2012 £
Opening shareholder's funds		9,555,903	8,934,788
Retained profit for the period		1,341,000	621,115
Capital contribution	14	78,301	-
Closing shareholder's funds		10,975,204	9,555,903

16 Immediate and ultimate parent company and controlling party

The immediate parent company is Really Useful Theatres Group Limited, a company incorporated in the United Kingdom

The ultimate parent company and the largest and smallest group for which group accounts are prepared, of which the company is a member, is Really Useful Investments Limited, incorporated in the United Kingdom A copy of the group accounts may be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ

The ultimate controlling party is The Lord Lloyd Webber, who is the owner of the ultimate parent company

17. Related party transactions

During the period the company received rent amounting to £455,304 (2012 £442,872) and management charges of £150,186 (2012 £147,039) from The Adelphi Theatre Company Limited, a joint venture

At the balance sheet date, trade debtors include £2,100 (2012 £nil) owed from the Adelphi Theatre Company Ltd, an associated company

The company has taken advantage of exemptions from disclosure granted by FRS 8 *Related Party Disclosures* not to disclose transactions with other group companies The exemptions taken relate to the disclosure of intra-company transactions only

Notes to the financial statements
52 weeks ended 30 June 2013

18. Pensions

No contributions were made to a pension scheme by the company during the current or prior period