

Sadler's Wells Limited
Company Number 02907116

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2013**



Sadler's Wells Limited

Directors, Officers and Administrative Information

Directors

Sir David Bell (Chairman)
Rab Bennetts OBE
Sue Butcher
Marco Compagnoni
Joachim Fleury
Robert Glick
Carol Lake
Harry MacAuslan
Robin Pauley
Robin Saunders
Sandi Ulrich

Secretary

Alistair Spalding CBE

Registered Office

Sadler's Wells Theatre
Rosebery Avenue
London
EC1R 4TN

Bankers

Coutts & Co.
440 Strand
London
WC2R 0QS

Auditors

Kingston Smith LLP
141 Wardour Street
London
W1F 0UT

Solicitors

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

Sadler's Wells Limited

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Sadler's Wells Limited

Report of the Directors

The Directors present their report and audited financial statements for the year ended 31 March 2013

Principal Activities

The company promotes commercial events and provides bar and catering services at the Sadler's Wells and Peacock theatres

Review of Business

The company gifts any surplus made back to the parent company, Sadler's Wells Trust, at the end of each financial period. Donations under Gift Aid of £1,193,703 (2012: £918,701) were made to Sadler's Wells Trust during the period. Accordingly, no dividend is recommended.

During the year the company operated catering services at Sadler's Wells and the Peacock Theatre. The company also rents out the spaces of the Sadler's Wells theatre complex for commercial hire, and holds the lease of the Shakespeare's Head Public House.

Directors

The members of the Board who served during the period under review were as follows:

Sir David Bell (Chairman)
Sue Butcher
Rab Bennetts OBE
Marco Compagnoni
Joachim Fleury
Robert Glick
Carol Lake
Harry MacAuslan
Robin Pauley
Robin Saunders
Sandi Ulrich

Statement of 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 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 period. 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,
- 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.

Disclosure of information to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Sadler's Wells Limited

Report of the Directors (continued)

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the members of the board on. *26 June 2012,*

and signed on their behalf by



Sir David Bell
Chairman

Independent Auditors' Report to the Members of Sadler's Wells Limited

We have audited the financial statements of Sadler's Wells Limited for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our 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, set out on page 1-2, 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 (APB'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 Directors' 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 31 March 2013 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditors' Report to the Members of Sadler's Wells Limited (cont)

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

141 Wardour Street
London
W1F 0UT



Cliff Ireton (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP
Statutory Auditor

26 June 2013

Sadler's Wells Limited
Profit and Loss Account
For the year ended 31 March 2013

	Note	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Turnover	1(b)	2,628,875	2,223,608
Cost of sales		<u>(749,018)</u>	<u>(654,449)</u>
Gross Profit		1,879,857	1,569,159
Administration expenses		<u>(677,663)</u>	<u>(647,612)</u>
Operating Profit		<u>1,202,194</u>	<u>921,547</u>
Bank interest received		2,418	639
Donation under Gift Aid	9	<u>(1,193,703)</u>	<u>(918,701)</u>
Profit on Ordinary Activities before taxation		<u>10,909</u>	<u>3,485</u>
Taxation	4	<u>(10,909)</u>	<u>(3,485)</u>
Result For The Financial Year		<u><u>-</u></u>	<u><u>-</u></u>

There are no recognised gains or losses in the period other than those included in the profit and loss account.

The profit and loss account has been prepared on the basis that all operations are continuing operations

The only movement to the retention of profits is as shown on the profit and loss account

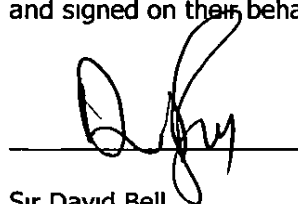
Sadler's Wells Limited

Balance Sheet as at 31 March 2013

		As at 31 March 2013 £	As at 31 March 2012 £
Fixed Assets	Note		
Tangible Assets	5	659,700	706,514
Current Assets			
Stock		34,486	30,773
Debtors	6	306,465	298,644
Cash		<u>1,171,345</u>	<u>678,355</u>
		1,512,296	1,007,772
Creditors: Amounts Falling Due Within One Year	7	<u>(2,171,994)</u>	<u>(1,714,284)</u>
Total Assets less Current Liabilities		<u><u>2</u></u>	<u><u>2</u></u>
Capital and Reserves			
Called up share capital	8	2	2
Profit & Loss account		-	-
Equity Shareholders' Funds		<u><u>2</u></u>	<u><u>2</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved for issue by the members of the board on: *26 June 2013*,
and signed on their behalf by:



Sir David Bell
Chairman

Company number 2907116

Sadler's Wells Limited

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards. The accounting policies remain unchanged from the previous period.

(b) Turnover

The turnover for the year consists of income from catering and hiring of space and is stated net of value added tax.

(c) Stock

Stock represents goods for resale, and is stated at the lower of cost and net realisable value.

(d) Fixed Assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation.

Depreciation is provided on a straight line basis to write down the book value over the estimated useful lives of the assets as follows.

Leasehold Land and Buildings	2%
Computer Equipment	20%
Fixtures & Fittings	33.3%

2. Staff and Directors

Other than the Directors, who received no remuneration, the company employed no staff during the period. A charge of £663,411 (2012: £641,466) was incurred from Sadler's Wells Trust in respect of the services of 31 (2012: 36) employees of that company during the year.

The company has an insurance policy in respect of claims against the Directors of the company, the cost of which was incurred by a related company.

3. Operating profit

Operating profit is stated after charging:

	2013	2012
	£	£
Depreciation	<u>46,814</u>	<u>36,185</u>

Auditors remuneration is borne by the parent company, Sadlers Wells Trust Ltd

Sadler's Wells Limited
Notes to the Financial Statements
For the year ended 31 March 2013 (cont)

4. Taxation

	31 March 2013 £	31 March 2012 £
Domestic current year tax		
UK corporation tax	10,909	3,485
Total current tax	<u>10,909</u>	<u>3,485</u>
 Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>10,909</u>	<u>3,485</u>
 Profit on ordinary activities before taxation multiplied by small companies rate of UK corporation tax of 20%	<u>2,182</u>	<u>697</u>
 Effects of Depreciation in excess of capital allowances	<u>8,727</u>	<u>2,788</u>
	<u>8,727</u>	<u>2,788</u>
Current tax charge	<u>10,909</u>	<u>3,485</u>

5. Fixed Assets

	Leasehold Land and Buildings £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Total £'000
Cost				
As at 1st April 2012	716,956	33,892	52,737	803,585
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st March 2013	<u>716,956</u>	<u>33,892</u>	<u>52,737</u>	<u>803,585</u>
 Depreciation				
At 1st April 2012	42,918	22,593	31,560	97,071
Disposals	-	-	-	-
Charge for the year	14,338	11,299	21,177	46,814
At 31st March 2013	<u>57,256</u>	<u>33,892</u>	<u>52,737</u>	<u>143,885</u>
 Net book value				
At 31st March 2013	<u>659,700</u>	<u>-</u>	<u>-</u>	<u>659,700</u>
At 31st March 2012	<u>674,038</u>	<u>11,299</u>	<u>21,177</u>	<u>706,514</u>

6. Debtors

	31 March 2013 £	31 March 2012 £
Trade debtors	297,863	292,585
Other Debtors and Prepayments	8,600	6,057
Unpaid share capital	2	2
	<u>306,465</u>	<u>298,644</u>

Sadler's Wells Limited
Notes to the Financial Statements
For the year ended 31 March 2013 (cont)

7. Creditors: Amounts falling due within one year

	31 March 2013	31 March 2012
	£	£
Trade Creditors	57,142	57,381
Tax and Social Security	122,188	104,458
Deferred Income	227,753	250,608
Amounts owed to group undertakings	1,740,994	1,285,393
Other creditors	23,917	16,444
	<u>2,171,994</u>	<u>1,714,284</u>

8. Equity Share Capital

	31 March 2013	31 March 2012
	£	£
Authorised, called up and unpaid: 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

9. Ultimate Controlling Party

The ultimate parent company and controlling party is Sadler's Wells Trust, due to its ownership of the company's entire share capital. Sadler's Wells Trust is a limited company registered in England and Wales, and produces consolidated accounts

Copies of the group's financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ

10. Related Parties

Sadler's Wells Limited donated £1,193,703 (2012 £918,701) to its parent company during the year. At 31 March 2013 Sadler's Wells Limited owed £1,740,994 net (2012: £1,285,393) to its parent company. Sadler's Wells Trust owes Sadler's Wells Limited £2 (2012 £2) in respect of unpaid share capital.