

Company Registration No 05493237 (England and Wales)

NIMAX THEATRES LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012



NIMAX THEATRES LIMITED

CONTENTS

	Page
Directors' report	1-3
Auditors' report	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Notes to the cash flow statement	8
Notes to the abbreviated accounts	7 - 15

NIMAX THEATRES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2012

The directors present their report and financial statements for the year ended 30 September 2012

Principal activities and review of the business

The principal activity of the company continues to be the management, restoration and refurbishment of the Garrick, Duchess, Vaudeville, Apollo and Lyric theatres. On the 11 April 2012 the Company acquired the Palace Theatre London Limited, now the Company's largest theatre

We aim to present a balanced and comprehensive review of the development and performance of our business during the period and its position at the period end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties in force

It has been an extraordinary year - after months of management time being tied up with the acquisition of the Palace Theatre - the company along with the West End and other businesses servicing the theatres, had to cope with both the Diamond Jubilee and Olympic Games. These two one off events had a significant negative effect on ticket sales over the summer months, in an otherwise strong year. Despite this, due to the excellent performance of several other productions particularly Mark Rylance in Jerusalem, the company achieved a small increase in ticket sales, and therefore operating profit and profit before tax from which increased financing costs and the capital repayment of borrowings had to be serviced

The year saw a varied programme of limited season productions across the group with ups and downs. Mark Rylance returned to the Apollo Theatre in Jez Butterworth's Olivier & Tony award winning hit Jerusalem. This was followed by The Madness of George III and Long Days Journey into Night starring David Suchet & Laurie Metcalf. The Duchess Theatre started the year well with Pitman Painters but the next production- the RSC's Written on The Heart collapsed leaving dark weeks at the theatre which was limited by bringing in the production of Hurly Burly. The transfer of the musical Chicago filled the Garrick Theatres for 45 weeks of the year with the children's shows Horrible Histories and Sooty playing during the day time. The long running musical Thriller Live continued to play at the Lyric complimented with Monday concerts including two weeks of both Rob Brydon and Russell Brand and the underlying children's shows The Gruffalo and The Tiger Who Came To Tea. The Vaudeville started the year with Broken Glass followed by the National Theatres production of Swallows & Amazons. This was followed by Masterclass, What The Butler Saw and Volcano with the children's show Potted Panto

Singin'In The Rain was playing at the Palace Theatre when it was acquired and continues to perform successfully. The results of the Palace Theatre London Limited are consolidated in the accounts of the ultimate parent company Nimax LLP

The company continued its' programme of theatre restoration and refurbishment including completion of the Garrick façade project with substantial internal redecoration programmes at both the Garrick & Duchess theatres

The company considers its key performance indicators to be -

- Ticket sales - Number and value as a percentage of capacity
- Number of dark weeks - The company had 10 dark weeks (7 weeks- 2011)
- Gross profit margin - maintained at 38%,
- Operating margins at each venue including Bar & Front of House retail spends per head and net profit per head
- Advance bookings and how they compare week on week and to last year
- Net profit growth
- Debtors - both in terms of debtor weeks and absolute value
- Maximisation of performance use of the theatres - 7 days a weeks and daytime
- Securing forward bookings of quality programming

NIMAX THEATRES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2012

Principal risks and uncertainties -

The company's principal risk lies in its ability to attract quality production in a strongly competitive West End

The Nimax group funded the acquisition of the Palace Theatre London Limited through a third party lender HSBC Bank plc. The group's borrowings have a variable rate interest rate, however the group's interest rate exposure is fixed as the group has a hedging arrangement in place in the form of an interest rate swap.

The Board does not currently consider liquidity risk to be of significance.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 October 2011:

L Burns

M Weitzenhoffer

Auditors

In accordance with the company's articles, a resolution proposing that Blinkhorns be reappointed as auditors of the company will be put at a General Meeting.

NIMAX THEATRES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2012

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

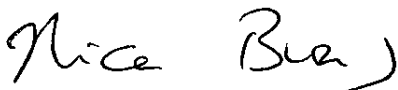
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Statement of disclosure to auditors

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

On behalf of the board



L Burns

Director

21 December 2012

NIMAX THEATRES LIMITED

INDEPENDENT AUDITORS' REPORT TO NIMAX THEATRES LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 15, together with the financial statements of Nimax Theatres Limited for the year ended 30 September 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

David Cramer FCA (Senior Statutory Auditor)
for and on behalf of Blinkhorns

21 December 2012

Statutory Auditor

27 Mortimer Street
London
W1T 3BL

NIMAX THEATRES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Notes	2012 £	2011 £
Turnover		10,845,789	9,914,771
Other operating income less cost of sales		(6,600,216)	(6,096,444)
Administrative expenses		(1,091,967)	(1,260,943)
Operating profit	2	3,153,606	2,557,384
Other interest receivable and similar income		8,004	7,934
Interest payable and similar charges	4	(268,947)	(1,320)
Profit on ordinary activities before taxation		2,892,663	2,563,998
Tax on profit on ordinary activities	5	(738,662)	(702,724)
Profit for the year	15	2,154,001	1,861,274

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

There are no recognised gains and losses other than those passing through the profit and loss account

NIMAX THEATRES LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30 SEPTEMBER 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Intangible assets	6	2,210,000		2,380,000	
Tangible assets	7	258,391		272,158	
Investments	8	24,567,739		-	
		<u>27,036,130</u>		<u>2,652,158</u>	
Current assets					
Stocks	9	62,030		46,861	
Debtors	10	2,081,811		4,032,677	
Cash at bank and in hand		2,963,636		6,459,867	
		<u>5,107,477</u>		<u>10,539,405</u>	
Creditors amounts falling due within one year	11	(8,469,063)		(6,618,191)	
Net current (liabilities)/assets		<u>(3,361,586)</u>		<u>3,921,214</u>	
Total assets less current liabilities		<u>23,674,544</u>		<u>6,573,372</u>	
Creditors amounts falling due after more than one year	12	(16,755,121)		(1,807,954)	
		<u>6,919,423</u>		<u>4,765,418</u>	
Capital and reserves					
Called up share capital	14	1,000		1,000	
Profit and loss account	15	6,918,423		4,764,418	
Shareholders' funds	16	<u>6,919,423</u>		<u>4,765,418</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 21 December 2012

L Burns

L Burns
Director

Company Registration No 05493237

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over 20 years its estimated useful economic life

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	10% straight line
Fixtures, fittings & equipment	10 - 25% straight line

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Stock

Stock is valued at the lower of cost and net realisable value

1.8 Payments received on account

Ticket sales collected on behalf of producers are paid out in the week following the performance, and are treated as payments received on account on the balance sheet

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Nimax LLP, a limited liability partnership incorporated in England and Wales, and is included in the consolidated accounts of that limited liability partnership

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

2	Operating profit	2012	2011
		£	£
	Operating profit is stated after charging		
	Amortisation of intangible assets	170,000	170,000
	Depreciation of tangible assets	82,318	75,166
	Loss on foreign exchange transactions	1,063	-
	Auditors' remuneration (including expenses and benefits in kind)	45,000	41,530
	and after crediting		
	Profit on foreign exchange transactions	-	(29)
		<u> </u>	<u> </u>
3	Investment income	2012	2011
		£	£
	Bank interest	5,799	7,934
	Other interest	2,205	-
		<u> </u>	<u> </u>
		8,004	7,934
		<u> </u>	<u> </u>
4	Interest payable	2012	2011
		£	£
	On bank loans and overdrafts	266,401	-
	Other interest	2,546	1,320
		<u> </u>	<u> </u>
		268,947	1,320
		<u> </u>	<u> </u>

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	738,662	702,724
	Total current tax	<u>738,662</u>	<u>702,724</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>2,892,663</u>	<u>2,563,998</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.00% (2011 - 27.00%)	<u>723,166</u>	<u>692,279</u>
	Effects of		
	Non deductible expenses	11,242	11,380
	Depreciation add back	20,580	20,293
	Capital allowances	(16,326)	(21,228)
		<u>15,496</u>	<u>10,445</u>
	Current tax charge for the year	<u>738,662</u>	<u>702,724</u>
6	Intangible fixed assets		
			Goodwill
			£
	Cost		
	At 1 October 2011 & at 30 September 2012		<u>3,400,000</u>
	Amortisation		
	At 1 October 2011		1,020,000
	Charge for the year		<u>170,000</u>
	At 30 September 2012		<u>1,190,000</u>
	Net book value		
	At 30 September 2012		<u>2,210,000</u>
	At 30 September 2011		<u>2,380,000</u>

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 October 2011	632,120	379,963	1,012,083
Additions	-	68,548	68,548
	<hr/>	<hr/>	<hr/>
At 30 September 2012	632,120	448,511	1,080,631
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 October 2011	445,229	294,693	739,922
Charge for the year	45,641	36,677	82,318
	<hr/>	<hr/>	<hr/>
At 30 September 2012	490,870	331,370	822,240
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 September 2012	141,250	117,141	258,391
	<hr/>	<hr/>	<hr/>
At 30 September 2011	186,890	85,268	272,158
	<hr/>	<hr/>	<hr/>

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

8 Fixed asset investments

	Unlisted investments £
Cost	
At 1 October 2011	-
Additions	24,567,739
At 30 September 2012	24,567,739
Net book value	
At 30 September 2012	24,567,739

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Palace Theatre London Limited	England & Wales	Ordinary shares	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2012 £	Profit/(loss) for the year 2012 £
	Principal activity		
Palace Theatre London Limited	Theatre management	24,006,101	1,907,679

9 Stocks

	2012 £	2011 £
Finished goods and goods for resale	62,030	46,861

There is no material difference between cost and replacement value

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

10 Debtors	2012 £	2011 £
Trade debtors	769,084	1,194,992
Amounts owed by parent and fellow subsidiary undertakings	572,602	2,138,205
Other debtors	418,636	296,628
Prepayments and accrued income	321,489	402,852
	<u>2,081,811</u>	<u>4,032,677</u>
11 Creditors amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	659,000	-
Payments received on account	2,324,789	2,340,065
Trade creditors	936,691	761,602
Amounts owed to subsidiary undertakings	1,371,555	-
Corporation tax	455,035	702,724
Other taxes and social security costs	429,925	401,887
Directors' current accounts	-	165,000
Other creditors	800,879	656,684
Accruals and deferred income	1,491,189	1,590,229
	<u>8,469,063</u>	<u>6,618,191</u>

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

12 Creditors amounts falling due after more than one year	2012 £	2011 £
Bank loans	11,113,000	-
Other loans	1,642,121	1,807,954
Amounts owed to subsidiary undertakings	4,000,000	-
	<u>16,755,121</u>	<u>1,807,954</u>
Analysis of loans		
Wholly repayable within five years	17,414,121	1,807,954
	<u>17,414,121</u>	<u>1,807,954</u>
Included in current liabilities	(659,000)	-
	<u>16,755,121</u>	<u>1,807,954</u>
Loan maturity analysis		
In more than one year but not more than two years	1,525,000	165,000
In more than two years but not more than five years	13,588,000	495,000
In more than five years	1,642,121	1,147,954
	<u>16,755,121</u>	<u>1,807,954</u>

The bank loan is secured by a fixed and floating charge over the assets of the company and also the assets of Nimax LLP, the parent entity, Vaudeville Theatre, a fellow subsidiary company and Palace Theatre London Limited, a subsidiary company

On 11 April 2012, Nimax LLP, the immediate parent entity, entered into a term and revolving facilities agreement with HSBC. Nimax Theatres Limited's share of the borrowings was £14,875,000 and the company allowed its assets to be subject to a charge along with other group companies as security for the issue of the loan. The rate of interest on the loan is the aggregate of LIBOR, the applicable margin and mandatory costs.

During the period, Nimax Theatres Limited hedged 100% of the term loan at a rate of 1.2375%.

13 Pension and other post-retirement benefit commitments Defined contribution

	2012 £	2011 £
Contributions payable by the company for the year	<u>24,633</u>	<u>22,904</u>

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

14 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
500 Ordinary A shares of £1 each	500	500
500 Ordinary B shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
15 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 October 2011		4,764,422
Profit for the year		<u>2,154,001</u>
Balance at 30 September 2012		<u>6,918,423</u>
16 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Profit for the financial year	2,154,001	1,861,274
Opening shareholders' funds	<u>4,765,418</u>	<u>2,904,144</u>
Closing shareholders' funds	<u>6,919,423</u>	<u>4,765,418</u>
17 Directors' remuneration	2012	2011
	£	£
Remuneration for qualifying services	<u>7,500</u>	<u>257,500</u>

NIMAX THEATRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2012

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

2012 Number	2011 Number
185	180

Employment costs

	2012 £	2011 £
Wages and salaries	4,158,411	4,107,213
Social security costs	429,551	433,162
Other pension costs	24,633	22,904
	<u>4,612,595</u>	<u>4,563,279</u>

19 Ultimate parent company

The ultimate controlling entity is Nimax LLP, a limited liability partnership registered in England and Wales, with a 100% shareholding of the company

The ultimate controlling parties are the directors by virtue of their ownership of Nimax LLP

20 Related party relationships and transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions