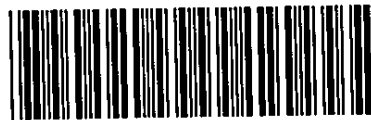


Company Registration No. 53830 (England and Wales)

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SAVOY THEATRE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2010

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SAVOY THEATRE LIMITED

COMPANY INFORMATION

Directors	R G Bartner H J Enright H H Panter R A Squire N Tulchin S Tulchin
Secretary	H J Enright
Company number	53830
Registered office	The Ambassadors Peacocks Centre Woking Surrey GU21 6GQ
Independent Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB

SAVOY THEATRE LIMITED

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SAVOY THEATRE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 27 MARCH 2010

The directors present their report and financial statements for the period ended 27 March 2010

Principal activities and review of the business

The principal activity of the company continued to be that of running the Savoy Theatre in London

The trading environment, in common with other economic sectors, continues to be challenging. The results for the year were considered satisfactory by the directors.

The company is sensitive to general economic trends and the availability of suitable product. As with other areas of the economy there is an ongoing potential threat from terrorism.

The company considers its key performance indicators to be

- 1) Sales - turnover was £1.6M for the six month period compared to £2.2M for the previous twelve months
- 2) Net profit growth - the company had an operating profit of £340k compared to a loss last year of £61k

Results and dividends

The results for the period are set out on page 6

The directors do not recommend payment of an ordinary dividend

Environment

The company recognises the importance of its environmental responsibilities and monitors its impact on the environment and designs and implements appropriate policies to minimise any damage that might be caused by the company's activities. Initiatives designed to minimise the company's impact on the environment include recycling and reducing energy consumption wherever possible.

Future developments

The directors expect renewed growth in the foreseeable future

Directors

The following directors have held office since 1 October 2009

R G Bartner
H J Enright
H H Panter
R A Squire
N Tulchin
S Tulchin

SAVOY THEATRE LIMITED

DIRECTORS' REPORT (continued) FOR THE PERIOD ENDED 27 MARCH 2010

Employee involvement

Details of the numbers of employees are given in Note 16 of the financial statements

The company aims to keep employees informed of all relevant matters through regular staff meetings, both formal and informal, and through written communications and any staff issues are dealt with efficiently and fairly. The company feels it has a transparent and appropriate policy for employee remuneration.

Disabled persons

Applications for employment by disabled persons are always fully considered. In the event of existing members of staff becoming disabled every effort would be made to ensure that their employment with the company continues and the appropriate support and training is available.

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

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.

SAVOY THEATRE LIMITED

**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 27 MARCH 2010**

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



H J Enright

Director

01.12.2010

SAVOY THEATRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAVOY THEATRE LIMITED

We have audited the financial statements of Savoy Theatre Limited for the period ended 27 March 2010 set out on pages 6 to 16. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, 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 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.

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 27 March 2010 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 matter 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.

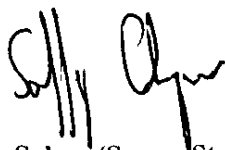
SAVOY THEATRE LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF SAVOY THEATRE LIMITED**

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



Jonathan Sykes (Senior Statutory Auditor)
for and on behalf of Saffery Champness



**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

SAVOY THEATRE LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 27 MARCH 2010**

		6 Months ended 27 March 2010 £	Year ended 30 September 2009 £
	Notes		
Turnover	2	1,599,329	2,165,439
Cost of sales		(122,254)	(143,709)
Gross profit		1,477,075	2,021,730
Administrative expenses		(1,136,981)	(2,082,667)
Operating profit/(loss)	3	340,094	(60,937)
Other interest receivable and similar income	4	23	6,217
Profit/(loss) on ordinary activities before taxation		340,117	(54,720)
Tax on profit/(loss) on ordinary activities	5	(75,413)	426,834
Profit for the period	14	264,704	372,114

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

The notes on pages 9 to 16 form part of these financial statements

SAVOY THEATRE LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 27 MARCH 2010**

	6 Months ended 27 March 2010 £	Year ended 30 September 2009 £
Notes		
Profit for the financial period	264,704	372,114
Unrealised surplus on revaluation of properties	637,288	-
Total recognised gains and losses relating to the period	<u>901,992</u>	<u>372,114</u>

SAVOY THEATRE LIMITED


**BALANCE SHEET
AS AT 27 MARCH 2010**

		As at 27 March 2010	As at 30 September 2009
	Notes	£	£
Fixed assets			
Tangible assets	7	7,997,586	7,392,988
Current assets			
Stocks	8	11,128	12,959
Debtors	9	689,495	387,839
Cash at bank and in hand		1,638,511	249,310
		<u>2,339,134</u>	<u>650,108</u>
Creditors: amounts falling due within one year	10	<u>(4,793,748)</u>	<u>(3,397,146)</u>
Net current liabilities		<u>(2,454,614)</u>	<u>(2,747,038)</u>
Total assets less current liabilities		5,542,972	4,645,950
Provisions for liabilities	11	<u>(97,297)</u>	<u>(102,267)</u>
		<u>5,445,675</u>	<u>4,543,683</u>
Capital and reserves			
Called up share capital	13	41,250	41,250
Revaluation reserve	14	4,654,709	4,017,421
Profit and loss account	14	749,716	485,012
Shareholders' funds	15	<u>5,445,675</u>	<u>4,543,683</u>

The notes on pages 9 to 16 form part of these financial statements

Approved by the Board and authorised for issue on 01.12.2010


H J Enright
Director


R A Squire
Director

Company Registration No. 53830

SAVOY THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

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 due to the company from the sale of tickets and ancillary services including the theatre's bar, merchandise, theatre hires, sponsorships and other income and excludes value added tax. Ticket revenue is recognised on the date that any given show performs at the theatre. Bar and merchandising income is recognised on the date the revenue is generated and all other income is recognised in the period to which it relates. All turnover is derived from operations in the UK.

1.4 Tangible fixed assets and depreciation

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

Land and buildings Freehold	Nil
Fixtures, fittings & equipment	between 5 and 20 years

Depreciation is not charged on freehold property as the company has a policy and practice of regular maintenance and repair (charges for which are recognised in the profit and loss account), the property is unlikely to suffer from economic or technological obsolescence, the company has a policy and practice of disposing of similar assets well before the end of their economic lives and the disposal proceeds of similar assets have not been materially less than their carrying amounts.

The appraisal of residual values for each property is based on prices prevailing at the time of the acquisition or subsequent valuation of the property in question. In the event of any impairment in property value below historical cost, provision for impairment is charged to the profit and loss account.

1.5 Stock

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

SAVOY THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 27 MARCH 2010

1 Accounting policies (continued)

1.6 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.

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit/(loss)	2010 £	2009 £
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	98,342	188,960
Auditors' remuneration (including expenses and benefits in kind)	6,650	9,450
	<u> </u>	<u> </u>

4 Investment income	2010 £	2009 £
Bank interest	23	6,217
	<u> </u>	<u> </u>
	<u>23</u>	<u>6,217</u>

SAVOY THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 27 MARCH 2010**

5	Taxation	2010	2009
		£	£
	Domestic current year tax		
	U K corporation tax	80,383	-
	Adjustment for prior years	-	(145,101)
	Current tax charge	80,383	(145,101)
	Deferred tax		
	Deferred tax charge/credit current year	(4,970)	(281,733)
		75,413	(426,834)
	Factors affecting the tax charge for the period		
	Profit/(loss) on ordinary activities before taxation	340,117	(54,720)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 28.00%)	95,233	(15,322)
	Effects of		
	Non deductible expenses	429	19,332
	Depreciation add back	27,536	52,909
	Capital allowances	(23,806)	(65,703)
	Tax losses utilised	(17,578)	8,784
	Adjustments to previous periods	-	(145,101)
	Other tax adjustments	(1,431)	-
		(14,850)	(129,779)
	Current tax charge	80,383	(145,101)
6	Dividends	2010	2009
		£	£
	Ordinary final paid	-	200,000

SAVOY THEATRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 27 MARCH 2010**

7 Tangible fixed assets

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 October 2009	6,510,000	2,349,916	8,859,916
Additions	-	65,652	65,652
Revaluation	637,288	-	637,288
	<u>7,147,288</u>	<u>2,415,568</u>	<u>9,562,856</u>
At 27 March 2010	7,147,288	2,415,568	9,562,856
Depreciation			
At 1 October 2009	-	1,466,928	1,466,928
Charge for the period	-	98,342	98,342
	<u>-</u>	<u>1,565,270</u>	<u>1,565,270</u>
At 27 March 2010	-	1,565,270	1,565,270
Net book value			
At 27 March 2010	<u>7,147,288</u>	<u>850,298</u>	<u>7,997,586</u>
At 30 September 2009	<u>6,510,000</u>	<u>882,988</u>	<u>7,392,988</u>

Land and buildings are held at valuation. On 30 October 2009, the theatre was valued at an open market valuation of £8,000,000 for existing use by an independent firm of chartered surveyors. This valuation for existing use included integral fixtures and fittings that are included on a cost basis in fixtures, fittings and equipment in the balance sheet. The total revaluation above relates to the element associated to land and buildings.

The historical cost at 31 March 2010 was £2,492,579 (2009 £2,492,579)

8 Stocks	2010 £	2009 £
Finished goods and goods for resale	<u>11,128</u>	<u>12,959</u>

SAVOY THEATRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 27 MARCH 2010**

9 Debtors	2010	2009
	£	£
Trade debtors	438,413	235,158
Amounts owed by participating interests	1,762	1,570
Other debtors	234,981	64,436
Prepayments and accrued income	14,339	86,675
	<u>689,495</u>	<u>387,839</u>

10 Creditors' amounts falling due within one year	2010	2009
	£	£
Trade creditors	71,320	111,899
Amounts owed to parent and fellow subsidiary undertakings	2,264,219	2,384,219
Amounts owed to participating interests	543,112	164,034
Corporation tax	80,383	-
Other taxes and social security costs	236,490	69,219
Accruals and deferred income	1,598,224	667,775
	<u>4,793,748</u>	<u>3,397,146</u>

11 Provisions for liabilities

	Deferred tax liability
	£
Balance at 1 October 2009	102,267
Profit and loss account	(4,970)
	<u>97,297</u>
Balance at 27 March 2010	<u>97,297</u>

The deferred tax liability is made up as follows:

	2010	2009
	£	£
Accelerated capital allowances	<u>97,297</u>	<u>102,267</u>

SAVOY THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 27 MARCH 2010****12 Pension and other post-retirement benefit commitments
Defined contribution**

	2010	2009
	£	£
Contributions payable by the company for the period	2,108	4,004

13 Share capital

	2010	2009
	£	£
Authorised		
7,500 Ordinary Shares of £5 50 each	41,250	41,250
Allotted, called up and fully paid		
7,500 Ordinary Shares of £5 50 each	41,250	41,250

14 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 October 2009	4,017,421	485,012
Profit for the period	-	264,704
Revaluation during the period	637,288	-
Balance at 27 March 2010	4,654,709	749,716

SAVOY THEATRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 27 MARCH 2010**

15 Reconciliation of movements in shareholders' funds	2010	2009
	£	£
Profit for the financial period	264,704	372,114
Dividends	-	(200,000)
	<u>264,704</u>	<u>172,114</u>
Other recognised gains and losses	637,288	-
	<u>901,992</u>	<u>172,114</u>
Net addition to shareholders' funds	901,992	172,114
Opening shareholders' funds	4,543,683	4,371,569
	<u>5,445,675</u>	<u>4,543,683</u>
Closing shareholders' funds	<u>5,445,675</u>	<u>4,543,683</u>

16 Contingent liabilities

A corporate cross guarantee exists between Savoy Theatre Limited and its parent Maidstone Productions (Savoy). The bank holds First Legal Mortgage over freehold of The Savoy Theatre.

17 Employees**Number of employees**

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

2010	2009
Number	Number
<u>60</u>	<u>60</u>

Employment costs

	2010	2009
	£	£
Wages and salaries	598,919	911,028
Social security costs	48,736	72,554
Other pension costs	2,108	4,004
	<u>649,763</u>	<u>987,586</u>

SAVOY THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 27 MARCH 2010

18 Control

The company is a subsidiary of Maidstone Productions (Savoy) Ltd. Maidstone Productions (Savoy) Ltd is a joint venture between ATG London Limited and Tulbart LLC. Neither party controls the company, although the day to day administration is undertaken by The Ambassador Theatre Group Limited, the parent company of ATG London Limited.

19 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

At the year end the company owed ATG London Limited £115,238 (2009 £132,439) and The Ambassador Theatre Group Limited £404,189 (2009 £26,801).