

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED

Report and Financial Statements for the 52 week period ended 29 March 2009

1247285



ROYAL NATIONAL THEATRE ENTERPRISES LIMITED

Report and Financial Statements for the 52 Weeks ended 29 March 2009

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ROYAL NATIONAL THEATRE ENTERPRISES LIMITED

Report and Financial Statements for the 52 Weeks ended 29 March 2009

Company Information

Report and Financial Statements for the 52 weeks ended 29 March 2009.

Company registration number: 1247285

Directors: André Ptaszynski (Chairman)
Lisa Burger
Ros Haigh (appointed 24 November 2008)
Patrick Harrison (appointed 26 January 2009)
Sarah Hunt
Karen Jones
John Langley
Justin Manson
Geoffrey Matthews
Nick Starr

Company Secretary: Kay Hunter Johnston

Registered Office: Upper Ground
South Bank
London
SE 1 9PX

Auditors: PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Bankers: Coutts & Co
440 The Strand
London
WC2R 0QS

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED

Report and Financial Statements for the 52 Weeks ended 29 March 2009

Directors' Report

The Directors are pleased to submit their report and the audited accounts of Royal National Theatre Enterprises Limited for the 52 week period ended 29 March 2009.

PRINCIPAL ACTIVITIES

During the period, the company continued its main activity as the trading subsidiary of The Royal National Theatre ("the National Theatre" or "the National"). Its business comprises catering and functions business, the sale of ice creams and chocolates, the sale of books, publications and merchandise through the National Theatre's bookshop, the provision of public tours of the National's building, the hiring out of costumes and props, and the running of the car park at the National Theatre.

RESULTS AND DISTRIBUTIONS

The company's profit on ordinary activities for the period was £1,229,000 (2008: £1,272,000) of which £1,229,000 (2008: £1,272,000) will be paid to the National Theatre under a Gift Aid arrangement. The accumulated deficit at 29 March 2009 was £5,000 (30 March 2008: £5,000).

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Gross profit for the period has increased by 17% since last year, reflecting a 17% increase in turnover. The gross profit margin of 26% was maintained from last year. There was continued strong cost control in all areas.

The increase in turnover was due to the opening of The Deck, a new function space at the National Theatre, as well as strong audience numbers, which have a direct impact on the performance of the trading areas.

The overhead allocation made by the National Theatre was reviewed to take into account current costs of operating the theatre and to include the new facility, the Deck. As a result the allocation of costs has increased from 9% to 12% of turnover, resulting in a payment to the NT of £996,000 (2008: £639,000). Consequently, net profit was down by 3%.

The ad-hoc making and sale of costumes did not arise in 2008/09.

PRINCIPAL RISKS AND UNCERTAINTIES

The company is exposed to a range of risks – strategic, operational and compliance. As its parent company, the National Theatre reviews and assesses these risks. A risk register identifies risks and assigns specific actions and responsibilities for mitigating them. Actions required to mitigate risks and address uncertainties are incorporated into the National's Business Plan. The Directors consider the following risk to be of significance to the company:

Audience numbers – there is a strong correlation between audience numbers at the National Theatre and income from the company's front-of-house trading operations. As such, the company's profitability is, to an extent, dependent on the ongoing ability of the National to attract audiences. Further details of how the National manages this risk, including information about the selection of repertoire, can be found in the *structure, governance and management* section of the National Theatre's group financial statements. Other risks as they relate to the group as a whole are discussed in detail in these financial statements.

DIRECTORS AND THEIR INTERESTS

The directors who hold office at the date of this report and financial statements are listed under Company Information on page 3. All Directors who held office during the financial period are:

André Ptaszynski (Chairman)
Lisa Burger
Robyn Lines (resigned 27 December 2008)
Ros Haigh (appointed 24 November 2008)
Patrick Harrison (appointed 26 January 2009)
Sarah Hunt
Karen Jones
John Langley

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Justin Manson
Geoffrey Matthews
Caragh Merrick (resigned 30 September 2008)
Nick Starr
Edward Walker-Arnott (resigned 22 September 2008)

The directors had no interest in the shares of the company at any time during the period.

AUDITORS

A resolution proposing the re-appointment of PricewaterhouseCoopers LLP as auditors of the Company will be submitted at the Annual General Meeting.

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 confirm that they have complied with the above requirements in preparing the financial statements.

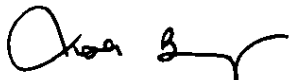
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware.

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board



Lisa Burger
Director

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED

Report and Financial Statements for the 52 Weeks ended 29 March 2009

Independent auditors' report to the members of Royal National Theatre Enterprises Limited

We have audited the financial statements of the Royal National Theatre Enterprises Limited for the period ended 29 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 29 March 2009 of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

16 July 2009

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED**Report and Financial Statements for the 52 Weeks ended 29 March 2009**

Profit and Loss Account for the 52 weeks ended 29 March 2009

	Notes	2009 £'000	2008 £'000
TURNOVER	2	8,291	7,063
Cost of Sales		6,108	5,192
GROSS PROFIT		<u>2,183</u>	<u>1,871</u>
Administrative Expenses		996	639
OPERATING PROFIT	3	<u>1,187</u>	<u>1,232</u>
Interest receivable and similar income		42	40
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,229</u>	<u>1,272</u>
Taxation	4	-	-
Profit transferred by Gift Aid		1,229	1,272
RETAINED PROFIT/(LOSS) FOR THE PERIOD		<u>-</u>	<u>-</u>

The company has not recognised gains or losses other than the result for the period and therefore no separate statement of total recognised gains and losses has been prepared.

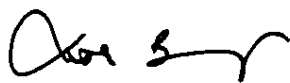
The notes on pages 8 to 10 form part of these financial statements.

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED**Report and Financial Statements for the 52 Weeks ended 29 March 2009**

Balance Sheet at 29 March 2009

	Notes	2009 £'000	2008 £'000
CURRENT ASSETS			
Stock	6	233	224
Debtors	7	144	181
Short-term deposits		1,136	886
Cash		6	5
		<u>1,519</u>	<u>1,296</u>
CREDITORS			
Amounts falling due within one year	8	(1,524)	(1,301)
NET CURRENT LIABILITIES		<u>(5)</u>	<u>(5)</u>
CAPITAL AND RESERVES			
Called up share capital	9	-	-
Profit and loss account (retained losses)		(5)	(5)
SHAREHOLDERS' FUNDS	10	<u>(5)</u>	<u>(5)</u>

The financial statements were approved by the Directors on 16 July 2009 signed on its behalf by:



Lisa Burger
Director

The notes on pages 8 to 10 form part of these financial statements.

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED

Report and Financial Statements for the 52 Weeks ended 29 March 2009

Notes to the Financial Statements for the 52 weeks ended 29 March 2009

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards and the Companies Act 1985, and on a going concern basis.

The company is exempt from the requirement to prepare a cashflow statement as it is a wholly owned subsidiary undertaking of The Royal National Theatre, a company incorporated in Great Britain.

(b) Convention

The financial statements are presented in pounds Sterling rounded to the nearest thousand.

(c) Turnover

Turnover represents the value of goods and services provided to customers excluding VAT and net of volume related discounts.

(d) Fixed assets

The company did not own any fixed assets at the balance sheet date, nor at any time during the period.

(e) Stocks

The majority of stocks are goods held for resale in the catering, bookshop and publications operations. All stock is valued at the lower of cost and net realisable value. Cost is based on the latest purchase price.

(f) Overhead allocation

An overhead allocation is made by The National to the Company based on turnover. The amount is calculated with reference to space occupied and staff numbers, and was reviewed by the NT during the year ended 29 March 2009 to take into account current cost levels of operating the theatre and the opening of The Deck.

2. TURNOVER

	2009 £'000	2008 £'000
Catering, Ice Creams and Chocolates	5,245	4,050
Sales of Books, Programmes and Publications	1,723	1,493
Costume/Prop Hire	608	577
Car Park	631	648
Backstage Tours	84	65
Costume Manufacturing	-	230
	<u>8,291</u>	<u>7,063</u>

All turnover is related to activity in the United Kingdom.

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED**Report and Financial Statements for the 52 Weeks ended 29 March 2009****3 OPERATING PROFIT**

	2009 £'000	2008 £'000
Operating profit is stated after charging:		
Audit fee	6	6
Tax and other fees	<u>-</u>	<u>2</u>

4 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

Profits on which tax would be payable are paid to the National by Gift Aid and, consequently, there is no corporation tax payable.

5 REMUNERATION OF DIRECTORS AND EMPLOYMENT COSTS

The directors did not receive any remuneration in respect of their services as directors of the company. Five of the directors and the Company Secretary are also employees of the parent company and receive salaries from the National Theatre in this capacity.

The company had no employees during the period. Administrative services are provided by the parent company and recharged to Royal National Theatre Enterprises Limited.

6 STOCKS

	2009 £'000	2008 £'000
Goods for resale	233	224
	<u>233</u>	<u>224</u>

7 DEBTORS

	2009 £'000	2008 £'000
Trade debtors	22	72
Prepayments & accrued income	122	109
	<u>144</u>	<u>181</u>

8 CREDITORS

	2009 £'000	2008 £'000
Amounts owed to parent undertaking	1,256	840
Trade creditors	151	349
Other creditors, accruals and deferred income	117	112
	<u>1,524</u>	<u>1,301</u>

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9 CALLED UP SHARE CAPITAL

Authorised: 100 ordinary shares of £1 each

Allotted, issued and fully paid: 2 ordinary shares of £1 each, both held by The Royal National Theatre Limited.

10 EQUITY SHAREHOLDERS' FUNDS

	2009 £'000	2008 £'000
Profit for the financial year	-	-
Balance at beginning of year	(5)	(5)
Balance at end of year	<u>(5)</u>	<u>(5)</u>

11 RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary, Royal National Theatre Enterprises Limited has taken advantage of the exemption, allowed by Financial Reporting Standard 8, from disclosing details of transactions with its parent company, The Royal National Theatre because group accounts are prepared.

12 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking and controlling part of Royal National Theatre Enterprises Limited is The Royal National Theatre, a company registered in England. Group accounts are available from the Company Secretary, National Theatre, Upper Ground, London SE1 9PX.