

Registered No: 1539294

ROYAL ALBERT HALL DEVELOPMENTS LIMITED

Directors' Report & Accounts

for the year ended 31 December 1996



ROYAL ALBERT HALL DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1996

The Directors submit their report and audited accounts of the Company for the year ended 31 December 1996

ACTIVITIES

The Company's main activities during the year were the licensing of the Royal Albert Hall to third parties, the licensing of boxes to Corporate clients; the receipt of income from services provided to patrons of the Royal Albert Hall by concessionaires appointed by the Company, from tours of the Hall, from the marketing of showcases and from Mailing List subscribers.

RESULTS

The Company made a profit of £1,295,511 (1995 £1,704,175) before making a deed of covenant payment of £1,299,882 (1995 £1,710,372) to the Corporation of the Hall of Arts and Sciences. A loss of £4,371 (1995 £6,197) was transferred to reserves.

DIRECTORS

The Directors of the Company during the year were:-

Mr H Gould OBE JP BA DL FCA

Chairman

Mr P L Deuchar

Managing Director

Mr P M Franklin-Adams ACII

Mr G A Humphreys

Mr D W R Lewis

Mrs Michael Moore

Mr C S Palmer OBE

Mrs Anthony Travis

None of the Directors had any beneficial interest in the Company's shares at any time during the year.

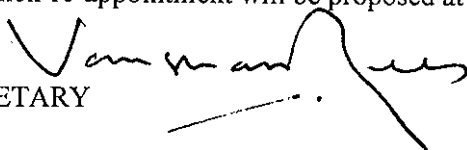
The Directors are insured against liabilities incurred whilst acting in their capacity as officers of the Company.

AUDITORS

The auditors, Price Waterhouse, have indicated their willingness to be re-appointed and a resolution seeking their re-appointment will be proposed at the Annual General Meeting.

F V FEES OBE

COMPANY SECRETARY



18 MARCH 1997

STATEMENT OF RESPONSIBILITIES OF THE DIRECTORS OF ROYAL ALBERT HALL DEVELOPMENTS LIMITED

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on pages 4 to 9, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AUDITORS' REPORT TO THE CORPORATION OF THE HALL OF ARTS AND SCIENCE

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described above the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards 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 judgements 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 of the state of the Company's affairs as at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Price Waterhouse
Chartered Accountants and Registered Auditors
Southwark Towers
32 London Bridge Street
London SE1 9SY

18 MARCH 1997

ROYAL ALBERT HALL DEVELOPMENTS LTD
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1996

	Note	1996 £	1995 £
Turnover	2	2,884,480	2,757,983
Cost of Activities		<u>1,684,132</u>	<u>1,107,238</u>
Operating Profit for the Year	3	1,200,348	1,650,745
Net Interest Receivable	4	<u>95,163</u>	<u>53,430</u>
Profit for the year before payment under Deed of Covenant to the Corporation	5	1,295,511	1,704,175
Payment of Deed of Covenant to the Corporation	6	<u>1,299,882</u>	<u>1,710,372</u>
Profit/(loss) on ordinary activities before taxation		(4,371)	(6,197)
Taxation on ordinary activities		<u>0</u>	<u>0</u>
Transfer to reserves		(4,371)	(6,197)
Reserves Brought Forward		<u>(20,484)</u>	<u>(14,287)</u>
Reserves Carried Forward		<u>(24,855)</u>	<u>(20,484)</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES

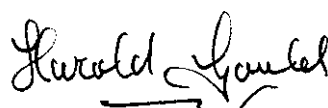

Turnover and operating profit arise solely from continuing operations. There are no recognised gains and losses or movements in shareholder funds other than those disclosed in the profit and loss account.

The notes on pages 6 to 9 form part of these accounts.

ROYAL ALBERT HALL DEVELOPMENTS LTD
BALANCE SHEET AS AT 31 DECEMBER 1996

	Note	1996	1995
		£	£
CURRENT ASSETS			
Debtors	7	1,654,995	1,006,945
Cash at bank and in hand		<u>1,962,907</u>	<u>1,579,632</u>
		3,617,902	2,586,577
CREDITORS			
Amounts falling due within one year	8	<u>3,617,757</u>	<u>2,582,061</u>
NET CURRENT ASSETS		145	4,516
NET ASSETS		<u>145</u>	<u>145</u>
EQUITY CAPITAL AND RESERVES			
Called up Share Capital	9	25,000	25,000
Retained Loss		(24,855)	(20,484)
Equity Shareholders' Funds	12	<u>145</u>	<u>4,516</u>

Approved by the Board of Directors on 18 March 1997

Director 
 Director 

The notes on pages 6 to 9 form part of these accounts.

ROYAL ALBERT HALL DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared in accordance with the historical cost convention and applicable accounting standards.

Turnover

Turnover is stated net of value added tax and comprises amounts receivable from licensings of the Royal Albert Hall assigned to the Company by the Corporation, from licensing of boxes, concessions, advertising, tours and mailing list subscriptions.

2. TURNOVER

	1996 £	1995 £
Licensings of the Royal Albert Hall and boxes	2,135,812	1,216,929
Concessions granted	700,492	1,478,939
Advertising, tours and subscriptions	48,176	62,115
	<u>2,884,480</u>	<u>2,757,983</u>

3. OPERATING PROFIT FOR THE YEAR

	1996 £	1995 £
Licensings of the Royal Albert Hall and boxes	573,502	234,090
Concessions granted	624,159	1,400,480
Advertising, tours and subscriptions	2,687	16,175
	<u>1,200,348</u>	<u>1,650,745</u>

ROYAL ALBERT HALL DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. INTEREST RECEIVABLE

	1996 £	1995 £
Interest receivable	95,438	53,430
Interest payable	275	NIL
	<u>95,163</u>	<u>53,430</u>

5. PROFIT FOR THE YEAR

The profit for the year is stated after charging:

	1996 £	1995 £
Auditors' remuneration	<u>4,500</u>	<u>4,725</u>

None of the Directors received any remuneration in respect of their services to the Company.

The Company has no employees. (1995 - NIL)

6. PAYMENT OF COVENANTED PROFIT

The Company has entered into a Deed of Covenant with the Corporation of the Hall of Arts and Sciences whereby it undertakes to pay over to the Corporation each year an amount equal to its profits for corporation tax purposes.

	1996 £	1995 £
Amount due	1,299,882	1,714,137
Overpaid in 1994 and recovered in 1995	NIL	(3,765)
	<u>1,299,882</u>	<u>1,710,372</u>

ROYAL ALBERT HALL DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. DEBTORS

	1996	1995
	£	£
Amount owed by Corporation	687,856	210,553
Trade Debtors	707,315	496,086
Other Debtors	257,199	220,050
Prepayments and accrued income	2,625	80,256
	<u>1,654,995</u>	<u>1,006,945</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996	1995
	£	£
Deposits on future lettings	120,788	130,942
Advance ticket sales	1,708,932	1,061,488
Rental rebate re: Exclusive lettings	285,046	157,809
Performing Rights Society	4,364	11,777
Other Creditors	501,729	37,922
Accruals and other deferred income	564,315	503,309
VAT	120,611	250,280
Income Tax on Deed of Covenant	311,972	428,534
	<u>3,617,757</u>	<u>2,582,061</u>

9. SHARE CAPITAL

	1996	1995
	£	£
Authorised; allotted and fully paid:		
Ordinary shares of £1 each	25,000	25,000

10. CASH FLOW STATEMENT

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to prepare a cash flow statement on the grounds that it is a small Company,

11. OWNERSHIP

The Company is wholly owned by the Corporation of the Hall of Arts and Sciences, which is incorporated by Royal Charter and is a registered charity, No. 254543.

12. STATEMENT OF EQUITY SHAREHOLDERS FUNDS

	1996 £	1995 £
Retained profit/(loss) for the year	(4,371)	(6,197)
Equity Shareholders funds brought forward	<u>4,516</u>	<u>10,713</u>
Equity Shareholders funds carried forward	<u><u>145</u></u>	<u><u>4,516</u></u>