

**ROH Developments Limited**

**Directors' report and financial  
statements**

**Registered number 2580400**

**31 March 2008**



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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2008

### Principal activities and business review

The principal activity of the company is the development of property for both commercial use and the artistic activities of the Royal Opera House Covent Garden Limited

### Results

The results for the year are set out on page 5 The directors do not recommend the payment of a dividend (2007 £nil)

### Directors and directors' interests

The directors of the company who held office during the year and since the year end were as follows

Sir Stuart Lipton (Chairman)  
DJ Fairclough  
JC Seekings

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the next Annual General Meeting

By order of the board

  
JC Seekings  
Director

Royal Opera House  
Covent Garden  
London  
WC2E 9DD

29<sup>th</sup> September 2008

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They 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.



**KPMG LLP**

8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

**Report of the independent auditors to the members of Royal Opera House Developments Limited**

We have audited the financial statements of Royal Opera House Developments Limited for the year ended 31 March 2008 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.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditor's 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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.

**Independent auditors' report to the members of Royal Opera House Developments Limited** *(continued)*

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its result for the year 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

*KPMG LLP*

KPMG LLP  
Chartered Accountants  
Registered Auditor

*20 October* 2008

## Profit and loss account

*for the year ended 31 March 2008*

	<i>Note</i>	<b>2008</b> £	<b>2007</b> £
<b>Turnover</b>	2	30	75
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		30	75
Property and other costs		(15,148)	(15,700)
Other income		-	-
		<hr/>	<hr/>
<b>Operating loss</b>		(15,118)	(15,625)
Other interest receivable and similar income	5	16,696	14,015
Deed of covenant	6	(1,578)	-
		<hr/>	<hr/>
<b>Profit/ (loss) before taxation</b>	3	-	(1,610)
Tax	7	-	(643)
		<hr/>	<hr/>
<b>Profit/ (loss) for the financial year</b>		-	(2,253)
		<hr/>	<hr/>

The company had no recognised gains or losses other than those included in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

The turnover and loss for the financial year for the current and previous periods are derived from continuing operations. The results on a historic cost basis do not differ from those shown above

## Balance sheet

at 31 March 2008

	Note	2008 £	2007 £
<b>Current assets</b>			
Debtors - due within one year	8	9,462	8,537
Cash at bank and in hand		357,018	358,049
		<u>366,480</u>	<u>366,586</u>
<b>Creditors</b> amounts falling due within one year	9	(46,317)	(46,423)
		<u>320,163</u>	<u>320,163</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account	12	320,161	320,161
		<u>320,163</u>	<u>320,163</u>
<b>Equity shareholders' funds</b>	13		
		<u>320,163</u>	<u>320,163</u>

These financial statements were approved by the board of directors on 29<sup>th</sup> September 2008 and were signed on its behalf by



**JC Seekings**  
Director



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of Royal Opera House Covent Garden Limited, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities that form part of the group. The consolidated financial statements of Royal Opera House Covent Garden Limited, within which this company is included, can be obtained from the address given in note 14

#### *Turnover*

Turnover represents amounts (excluding value added tax) derived from fees charged for development services at Royal Opera House Covent Garden

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction (or, if hedged forward, at the rate of exchange under the related forward currency contract). Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

#### *Taxation*

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19

**Notes** *(continued)*

**2 Analysis of turnover**

	2008	2007
	£	£
<i>By activity</i>		
Development fees	30	75
	<u>          </u>	<u>          </u>

**3 Result for the financial year**

The auditors' remuneration has been borne by the parent company. The company's allocation was £2,000 (2007 £2,000)

**4 Directors and staff**

None of the directors who served during the year received any remuneration for their services as directors (2007 £nil). The company had no employees (2007 £nil)

**5 Other interest receivable and similar income**

	2008	2007
	£	£
Bank interest	16,696	14,015
	<u>          </u>	<u>          </u>

**6 Deed of covenant**

The deed of covenant is payable to Royal Opera House Covent Garden Limited. The gross amount payable for the year under the deed of covenant is £1,578 (2007 £nil)

## Notes (continued)

### 7 Taxation

	2008 £	2007 £
<i>UK Corporation tax</i>		
Current tax on income for year	-	-
Adjustment in respect of prior periods	-	643
	<hr/>	<hr/>
Total current tax charge	-	643
	<hr/>	<hr/>
Profit (loss) before taxation	-	(1,610)
Corporate tax on pre-tax profits at 19%	-	(306)
Adjustment in respect of prior periods	-	643
Tax losses carried forward	-	306
	<hr/>	<hr/>
Total current tax charge	-	643
	<hr/>	<hr/>

Tax charge in 2007 financial year, relates to tax paid in relation to the 2006 financial year on the deed of covenants payable to the Royal Opera House Covent Garden, which was not deductible in that year as it was not paid until April 2007

### 8 Debtors

	2008 £	2007 £
Other debtors	-	22
Amounts owed by parent undertaking	3,910	3,306
Prepayments and accrued income	5,552	5,209
	<hr/>	<hr/>
	9,462	8,537
	<hr/>	<hr/>

### 9 Creditors' amounts falling due within one year

	2008 £	2007 £
Trade creditors	-	296
Amounts owed to parent undertakings	1,578	5,207
Taxation and social security	-	643
Accruals and deferred income	44,739	40,277
	<hr/>	<hr/>
	46,317	46,423
	<hr/>	<hr/>

## Notes (continued)

### 10 Deferred tax

There is no deferred tax provision at 31 March 2008 or 31 March 2007 on the basis that the company covenants all its taxable profits to the Royal Opera House Covent Garden Limited, a charity exempt of tax, and has stated its intention to do so in future

### 11 Called up share capital

	2008 £	2007 £
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>
<i>Allotted and called up</i>		
2 ordinary shares of £1 each - fully paid up	2	2
	<u>          </u>	<u>          </u>

### 12 Reserves

	Profit and loss account £
At beginning of year	320,161
Result for the financial year	-
	<u>          </u>
At end of year	320,161
	<u>          </u>

### 13 Reconciliation of movements in equity shareholders' funds

	2008 £	2007 £
Opening equity shareholders' funds	320,163	322,416
Profit/ (loss) for the financial year	-	(2,253)
	<u>          </u>	<u>          </u>
Closing equity shareholders' funds	320,163	320,163
	<u>          </u>	<u>          </u>

### 14 Ultimate parent undertaking

The Company is a subsidiary undertaking of Royal Opera Covent Garden Limited, which is the ultimate parent company incorporated in the United Kingdom

The largest group in which the results of the Company are consolidated is that headed by Royal Opera Covent Garden Limited, incorporated in the United Kingdom. The smallest group in which they are consolidated is that headed by Royal Opera Covent Garden Limited incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from the Secretary, Royal Opera House, Covent Garden, London, WC2E 9DD