

# ROH Developments Limited

## Directors' report and financial statements

31 March 1995

Registered number 2580400

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# ROH Developments Limited

## Directors' report and financial statements

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# ROH Developments Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 1995.

### Principal activities and business review

The principal activity of the company is the development of property. The commercial site of 4-9 James Street was completed last year and hence the developments in progress relating to these properties have been transferred to leasehold properties. A 250 year lease for the commercial site of 51-54 Long Acre was acquired during the year. This site development was completed on 28 October 1994 and the costs are now included within leasehold properties. The sites are held with the intention of resale and the work to date is classified as a current asset.

Income mainly represents amounts receivable from the rental of properties on the commercial site.

### Results

The results for the year are set out on page 4. The directors do not recommend the payment of a dividend.

### Directors and directors' interests

The directors of the company who held office during the year were as follows:

Sir Kit McMahon	(Chairman)
BL Cann	(resigned 11 July 1994)
RCR Ensor	(resigned 31 July 1994)
PC Jones	(resigned 4 May 1995)
Sir Philip Beck	(resigned 22 November 1994)
RS Broadhurst	
T Osborne	(resigned 22 November 1994)
Sir James Spooner	
C Timms	(appointed 4 May 1995)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company. No rights to subscribe for shares in the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

# ROH Developments Limited

## Directors' report - (continued)

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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:

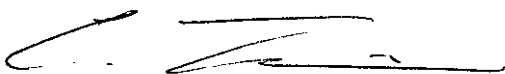
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the 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.

### Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and accordingly, have signed their report in their new name. In accordance with Section 385 of the Companies Act 1985, a resolution for the reappointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**C Timms**  
Secretary



45 Floral Street  
London  
WC2E 9DD

26 October 1995



PO Box 695  
8 Salisbury Square  
London  
EC4Y 8BB

## Report of the auditors to the members of ROH Developments Limited

We have audited the financial statements on pages 4 to 10.

### *Respective responsibilities of directors and auditors*

As described on page 2 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 March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**KPMG**  
*Chartered Accountants*  
*Registered Auditors*

31 October 1995

# ROH Developments Limited

## Profit and loss account for the year ended 31 March 1995

	<i>Note</i>	<b>1995</b> £	<b>1994</b> £
<b>Turnover</b>			
Cost of sales	1-2	1,132,862 (117,085)	885,776 -
<b>Gross profit</b>		<b>1,015,777</b>	<b>885,776</b>
Property and other costs		(88,360)	(151,286)
<b>Trading profit</b>		<b>927,417</b>	<b>734,490</b>
Other interest receivable and similar income	5	123,142	145,401
Interest payable and similar charges	6	(1,183,956)	(872,138)
<b>(Loss)/profit for the financial year before and after taxation</b>	2-4	<b>(133,397)</b>	<b>7,753</b>

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 profit or 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.

# ROH Developments Limited

## Balance sheet at 31 March 1995

	Note	1995 £	1994 £
<b>Current assets</b>			
Leasehold property	7	12,561,287	4,332,416
Work in progress	8	249,215	3,745,950
Debtors	9	362,885	483,424
Cash at bank and in hand	10	2,159,088	2,613,576
		<u>15,332,475</u>	<u>11,175,366</u>
<b>Creditors: amounts falling due within one year</b>	11	(883,216)	(846,710)
		<u>14,449,259</u>	<u>10,328,656</u>
<b>Net current assets</b>			
<b>Creditors: amounts falling due after more than one year</b>	12	(6,000,000)	(6,000,000)
		<u>8,449,259</u>	<u>4,328,656</u>
<b>Net assets</b>			
		<u>8,449,259</u>	<u>4,328,656</u>
<b>Capital and reserves</b>			
Called up share capital	13	2	2
Revaluation reserve	14	8,585,000	4,331,000
Profit and loss account	14	(135,743)	(2,346)
		<u>8,449,259</u>	<u>4,328,656</u>
<b>Shareholders' funds</b>	15	<u>8,449,259</u>	<u>4,328,656</u>

These financial statements were approved by the board of directors on 26 October 1995 and were signed on its behalf by:

*Kit McMahon*

**Sir Kit McMahon**  
Chairman

# ROH Developments Limited

## 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, modified to include the revaluation of leasehold properties (note 14).

#### *Financial Reporting Standard 1*

The company is exempt from including a cash flow statement as part of its financial statements on the basis that it is entitled to the exemptions available under sections 246-249 of the Companies Act 1985 for small companies.

#### *Work in progress*

This consists of development work carried out by ROH Development Limited on the leasehold premises owned by the company, which are not yet completed. Work in progress is stated at the lower of cost and net realisable value.

#### *Turnover*

Turnover represents amounts (excluding value added tax) derived from rental income of leasehold properties and fees charged for development services.

### 2 Analysis of turnover

	1995	1994
	£	£
<i>By activity</i>		
Rent receivable	954,080	779,197
Development fees	176,364	106,557
Other charges	2,418	22
	<hr/>	<hr/>
	1,132,862	885,776
	<hr/>	<hr/>



# ROH Developments Limited

## Notes (continued)

### 3 (Loss)/profit for the financial year

	1995 £	1994 £
<i>(Loss)/profit for the financial year is stated after charging:</i>		
Auditor's remuneration:		
Audit	-	-

The auditors' remuneration has been borne by a related company. Given the result for the year, there is no liability to corporation tax.

### 4 Directors and staff

None of the directors who served during the year received any remuneration for their services as directors (1994: £nil). The company had no employees (1994: nil).

### 5 Other interest receivable and similar income

	1995 £	1994 £
Bank interest	123,142	140,183
Other income	-	5,218
	<u>123,142</u>	<u>145,401</u>

### 6 Interest payable and similar charges

	1995 £	1994 £
Mortgage interest (see note 12)	537,652	552,138
Deed of covenant	646,304	320,000
	<u>1,183,956</u>	<u>872,138</u>

The deed of covenant is payable to The Royal Opera House Development Land Trust.

# ROH Developments Limited

## Notes (continued)

### 7 Leasehold property

The company acquired the 250 year lease to the premises of 4-9 James Street in September 1992. It also acquired a 250 year lease to the premises of 51-54 Long Acre in September 1994. Both leaseholds were gifts from The Royal Opera House Development Land Trust and are held with the intention of resale. Those properties are shown in the balance sheet at valuation at the commencement of the lease, together with development costs of completed properties. In determining the cost of leasehold properties, interest of £170,111 (1994: £nil) on a bank loan is included.

### 8 Work in progress

	1995 £	1994 £
Work in progress	<u>249,215</u>	<u>3,745,950</u>

In determining the cost of work in progress, interest of £21,124 (1994: £163,105) on a bank loan is included.

### 9 Debtors

	1995 £	1994 £
Other debtors	278,013	452,423
Called up share capital not paid	-	2
Prepayments and accrued income	<u>84,872</u>	<u>30,999</u>
	<u>362,885</u>	<u>483,424</u>

### 10 Cash at bank and in hand

	1995 £	1994 £
	<u>2,159,088</u>	<u>2,613,576</u>

There is a charge over £1,500,000 held on deposit. This security is given on behalf of The Royal Opera House Development Land Trust, the ultimate parent of the company.

# ROH Developments Limited

## Notes (continued)

### 11 Creditors: amounts falling due within one year

	1995 £	1994 £
Trade creditors	114,555	107,744
Amounts owed to parent undertaking	5,000	7,438
Other creditors, including taxation	216,032	117,623
Accruals and deferred income	547,629	613,905
	<u>883,216</u>	<u>846,710</u>

### 12 Creditors: amounts falling due after more than one year

	1995 £	1994 £
Mortgage	<u>6,000,000</u>	<u>6,000,000</u>

The original mortgage term is for ten years from 29 December 1992. The company entered into a further mortgage of £400,000 in July 1993. The interest rate for both is fixed at 9.43% per annum for the first six years. The mortgages are secured on the lease of 4-9 James Street.

### 13 Called up share capital

	1995 £	1994 £
<i>Authorised</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted and called up:</i>		
2 ordinary shares of £1 each - fully paid up	2	-
2 ordinary shares of £1 each - unpaid	<u>-</u>	<u>2</u>

# ROH Developments Limited

## Notes (continued)

### 14 Reserves

	Revaluation reserve	Profit and loss account	Total
	£	£	£
At beginning of year	4,331,000	(2,346)	4,328,654
Movements in year	4,254,000	(133,397)	4,120,603
At end of year	8,585,000	(135,743)	8,449,257

The value of the leasehold interest of the 4/9 James Street properties was finalised in March 1995. The leasehold interest in 51/4 Long Acre properties was valued by Healey and Baker on 24 June 1994. The valuations are based on the leases as at the date of grant and before any development of the property.

### 15 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
(Loss)/profit for the financial year	(133,397)	7,753
Revaluation in the year	4,254,000	-
Opening shareholders' funds	4,328,656	4,320,903
Closing shareholders' funds	8,449,259	4,328,656

### 16 Ultimate parent undertaking

The company is a subsidiary undertaking of The Royal Opera House Development Land Trust which is the ultimate parent undertaking whose principle place of business is in England.

The largest group in which the results of the company are consolidated is that headed by The Royal Opera House Development Land Trust. The consolidated accounts of this group are available from the Charity Commissioners. The smallest group in which they are consolidated is that headed by ROH Holdings Limited, registered in England, whose accounts are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.