

**THE AMBASSADOR THEATRE GROUP LIMITED**  
**UNAUDITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**



**THE AMBASSADOR THEATRE GROUP LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	Mark Cornell Michael Cowper Lynas John Neil Oldcorn (appointed 1 July 2021) Nicholas Graham Potter
<b>Registered number</b>	02671052
<b>Registered office</b>	2nd Floor Alexander House Church Path Woking Surrey GU21 6EJ
<b>Bankers</b>	National Westminster Bank Plc 38 Strand London WC2N 5JB

# THE AMBASSADOR THEATRE GROUP LIMITED

## CONTENTS

	Page
<b>Strategic Report</b>	1
<b>Directors' Report</b>	2
<b>Directors' Responsibilities Statement</b>	3
<b>Statement of Comprehensive Income</b>	4
<b>Statement of Financial Position</b>	5 - 6
<b>Statement of Changes in Equity</b>	7
<b>Notes to the Financial Statements</b>	8 - 29

# **THE AMBASSADOR THEATRE GROUP LIMITED**

## **STRATEGIC REPORT FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

### **Introduction**

The directors present their Strategic Report on the affairs of The Ambassador Theatre Group Limited ("the Company") for the 52 week period ended 26 March 2022 ("the period"). The Company's business activities together with the factors likely to affect its future development, performance and position are set out in this Strategic Report. The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

### **Business review**

Detailed results for the Group are included in the consolidated accounts of the Company's ultimate parent, International Entertainment Holdings Limited.

### **Principal risks and uncertainties**

The principal risk of the business is a downturn in theatre attendance. There are potential factors outside the Group's control that might impact theatre attendance, including economic slowdowns, recessions, or other extraordinary events such as a global pandemic or a terrorist attack. Historically, the theatre industry has proven to be resilient in the wake of unexpected events over previous periods.

### **Financial key performance indicators**

Revenue of £1.6m (2021: £0.5m) increased by 320% compared to the prior year as sales continued to recover and venues reopen after COVID-19 lockdowns. There was an operating loss in the period of £16.3m, an improvement on the operating loss in 2021 of £29.2m.

### **Other key performance indicators**

The non-financial key performance indicators are disclosed in the accounts of the Company's ultimate parent, International Entertainment Holdings Limited.

### **Directors' statement of compliance with duty to promote the success of the Company**

The Board of Directors of the Company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole (having regard to the stakeholders and matters set out in section 172(1) (a–f) of the Act) in the decisions taken during the period ended 26 March 2022.

This report was approved by the board and signed on its behalf.



**J N Oldcorn**

Director

Date: 22/12/2022

## THE AMBASSADOR THEATRE GROUP LIMITED

### DIRECTORS' REPORT FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

The directors present their report and the financial statements for the 52 week period ended 26 March 2022.

#### Principal activity

The principal activity of the Company continued to be that of theatre services and the operation of theatrical venues.

#### Results and dividends

The loss for the 52 week period, after taxation, amounted to £17m (2021 - loss £26m) .

The directors do not propose payment of a dividend with respect of the period (2021: £nil).

#### Directors

The directors who served during the 52 week period were:

Mark Cornell  
Michael Cowper Lynas  
John Neil Oldcorn (appointed 1 July 2021)  
Nicholas Graham Potter

#### Environmental matters

The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

#### Future developments

The strong fundamentals that underpin the theatrical industry contribute to the Directors' confidence in the long-term growth of the business in future years. As we have returned to normal operations after COVID-19 pandemic closures, the Company will continue to provide high-quality content and service to customers returning to theatres.

#### Going concern

The financial statements have been prepared on a going concern basis. The company has net liabilities of £67.4m and net current liabilities of £131.4m. Having prepared forecasts to cover the 12 months subsequent to the date of signing the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board and signed on its behalf.



**J N Oldcorn**  
Director  
Date: 22/12/2022

## **THE AMBASSADOR THEATRE GROUP LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments 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 to 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.

THE AMBASSADOR THEATRE GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

	Note	52 week period ended 26 March 2022 £000	52 week period ended 27 March 2021 £000
Turnover	4	1,626	486
Cost of sales		1,104	(25)
<b>Gross profit</b>		<b>2,730</b>	461
Administrative expenses		(39,163)	(42,821)
Other operating income	5	20,118	13,206
<b>Operating loss</b>	6	<b>(16,315)</b>	(29,154)
Interest receivable	8	1,460	1,544
Interest payable	9	(2,289)	(528)
<b>Loss before tax</b>		<b>(17,144)</b>	(28,138)
Tax on loss	10	(307)	2,118
<b>Loss for the 52 week financial period</b>		<b>(17,451)</b>	(26,020)

There was no other comprehensive income for 2022 (2021:£nil).

The notes on pages 8 to 29 form part of these financial statements.

**THE AMBASSADOR THEATRE GROUP LIMITED**  
**REGISTERED NUMBER: 02671052**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 26 MARCH 2022**

	Note	26 March 2022 £000	27 March 2021 £000
<b>Fixed assets</b>			
Intangible assets	11	5,735	6,341
Tangible assets	12	15,694	10,296
Investments	13	185,175	185,175
		<u>206,604</u>	<u>201,812</u>
<b>Current assets</b>			
Stocks	14	18	-
Debtors: amounts falling due after one year	15	47,204	45,558
Debtors: amounts falling due within one year	15	1,500,331	1,301,159
Current asset investments	16	4,558	3,088
Cash at bank and in hand	17	1,029	2,597
		<u>1,553,140</u>	<u>1,352,402</u>
Creditors: amounts falling due within one year	18	(1,684,554)	(1,464,647)
<b>Net current liabilities</b>		<u>(131,414)</u>	<u>(112,245)</u>
<b>Total assets less current liabilities</b>		<u>75,190</u>	<u>89,567</u>
Creditors: amounts falling due after one year	19	(2,019)	(2,476)
		<u>73,171</u>	<u>87,091</u>
<b>Provisions</b>			
Other provisions	22	(5,723)	(2,192)
		<u>(5,723)</u>	<u>(2,192)</u>
<b>Net assets</b>		<u><u>67,448</u></u>	<u><u>84,899</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	9,983	9,983
Share premium account		57,913	57,913
Profit and loss account		(448)	17,003
		<u><u>67,448</u></u>	<u><u>84,899</u></u>



**THE AMBASSADOR THEATRE GROUP LIMITED**  
**REGISTERED NUMBER: 02671052**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 26 MARCH 2022**

The members have not required the Company to obtain an audit for the 52 week period in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22/12/2022



**J N Oldcorn**  
Director

The notes on pages 8 to 29 form part of these financial statements.

**THE AMBASSADOR THEATRE GROUP LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>At 28 March 2020</b>	9,983	57,913	43,023	110,919
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(26,020)	(26,020)
<b>Total comprehensive income for the period</b>	-	-	(26,020)	(26,020)
<b>At 27 March 2021</b>	9,983	57,913	17,003	84,899
<b>Comprehensive income for the 52 week period</b>				
Loss for the 52 week period	-	-	(17,451)	(17,451)
<b>Total comprehensive income for the 52 week period</b>	-	-	(17,451)	(17,451)
<b>At 26 March 2022</b>	9,983	57,913	(448)	67,448

The notes on pages 8 to 29 form part of these financial statements.

## THE AMBASSADOR THEATRE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

#### 1. General information

The Ambassador Theatre Group Limited (the "Company") is a company incorporated in the United Kingdom under the Companies Act. Details of the Company's principal activity, registered office and directors can be found in the Directors' Report and the Company Information page.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The financial statements are presented in sterling, rounded to the nearest thousand, except where otherwise indicated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

##### 2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of International Entertainment Holdings Limited as at 26 March 2022 and these financial statements may be obtained from Companies House.

##### 2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

##### 2.4 Going concern

The financial statements have been prepared on a going concern basis, details of which can be found in the Directors' Report.

## THE AMBASSADOR THEATRE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

#### 2. Accounting policies (continued)

##### 2.5 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

##### 2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue primarily represents the amounts due to the Company from the sale of tickets and from providing theatre related services including venue use, bar and merchandise sales and sponsorship, excluding value added tax, credit card commission and ticket agent commission. Theatre related services are recognised in the period to which the services relate.

##### 2.7 Leases

###### The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date plus any initial direct costs incurred, discounted by the Company's incremental borrowing rate. The liability is subsequently adjusted for any re-measurement of the lease liability resulting from reassessments or lease modifications.

The lease liability is included in 'Trade and other payables' and 'Non-current payables' on the Statement of Financial Position.

## THE AMBASSADOR THEATRE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

#### 2. Accounting policies (continued)

##### 2.7 Leases (continued)

*The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation using the straight-line method from the commencement date. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment.*

The right-of-use assets are included in the 'Property, plant and equipment' line in the Statement of Financial Position.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

##### 2.8 Government grants

Government grants are measured at the fair value of the asset received or receivable. Government grants received on capital expenditure are initially recognised within deferred income on the *Company's Statement of Financial Position and are subsequently recognised in profit or loss on a systematic basis over the useful life of the related capital expenditure.*

Grants for revenue expenditure are presented as part of the profit or loss in the periods in which the expenditure is recognised.

##### 2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the 52 week period in which they are incurred.

##### 2.12 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

## THE AMBASSADOR THEATRE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

#### 2. Accounting policies (continued)

##### 2.13 Current and deferred taxation

The tax expense for the 52 week period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.14 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation period of software is 4 years.

##### 2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold property	- 40 to 50 years
Fixtures and fittings	- 4 to 10 years
Right of use assets	- Over the term of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## THE AMBASSADOR THEATRE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

#### 2. Accounting policies (continued)

##### 2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.17 Investment in shows and co-production arrangements

Investment in shows are stated at cost less provisions for any amounts which the directors do not believe are recoverable.

##### 2.18 Inventories

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.19 Trade and other receivables

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.20 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.21 Trade and other payables

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

## THE AMBASSADOR THEATRE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are a limited number of judgements having a material impact on these financial statements. The primary judgements are as follows:

##### Useful economic lives

The useful economic lives applied when depreciating assets are derived from historical experience of replacement periods from comparable assets within the wider group, and are considered appropriate. The lives are revisited where, for example, significant gains and losses on disposal are expected or experienced. Where it becomes apparent that assets' book values are materially in excess of their market value, the assets would be assessed or impaired.

##### Recoverability of current assets

Current assets that are outstanding significantly after their expected recovery date are reviewed for evidence of irrecoverability. Where an asset is considered wholly or partially irrecoverable, a provision is made against the book value of the relevant asset. Where sufficient evidence of recoverability exists, no such provision is made.

##### Recoverable amount of investments in subsidiaries

The book value of investments in subsidiaries is determined by comparing the book value, being historical purchase price, to recoverable amount, being the higher of value in use and fair value less costs to sell. Value in use is determined by reference to forecast economic benefits expected to flow from the investment in future, and is therefore judgemental.

#### 4. Revenue

All of the Company's revenue in the year arose within the United Kingdom from its principal activity of theatre services and the operation of theatrical venues. The classes of businesses are considered to be sufficiently similar and interdependent that separate disclosure is not required.



**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**5. Other operating income**

	<b>52 week period ended 26 March 2022 £000</b>	<b>52 week period ended 27 March 2021 £000</b>
Government grants receivable	<b>29</b>	1,971
Management fees from subsidiaries	<b>20,089</b>	11,235
	<b><u>20,118</u></b>	<u>13,206</u>

During the year, the company received £28,660 (2021: £1,971,000) under the Coronavirus Job Retention Scheme, a government grant that allows employers to place staff on temporary leave and claim the cost of up to 80% of employees' payroll cost. There are no unfulfilled conditions or other contingencies attached to the grant.

During the year, the company received £20,088,696 (2021: £11,235,000) in management fees from its subsidiaries.

**6. Operating loss**

The operating loss is stated after charging:

	<b>52 week period ended 26 March 2022 £000</b>	<b>52 week period ended 27 March 2021 £000</b>
Depreciation of tangible fixed assets	<b>3,201</b>	3,041
Amortisation of intangible assets, including goodwill	<b>1,538</b>	1,554
Exchange differences	<b>(3,069)</b>	6,854
Management fee to parent	<b>4,615</b>	3,167
Defined contribution pension cost	<b>464</b>	370
Management fees from subsidiaries	<b>(20,089)</b>	(11,235)
Government grants	<b>(29)</b>	(1,971)
	<b><u>(20,089)</u></b>	<u>(11,235)</u>

The Directors are not remunerated directly by the Company but are remunerated by the Company's intermediate parent company, International Entertainment Investments Limited. It is not possible to disaggregate the Directors' remuneration in respect of services to the Company.

During the year, the company incurred expenses of £4,614,500 (2021: £3,167,000) in relation to management support from its intermediate parent company, International Entertainment Investments Limited.

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**7. Employees**

Staff costs were as follows:

	<b>52 week period ended 26 March 2022 £000</b>	<b>52 week period ended 27 March 2021 £000</b>
Wages and salaries	7,648	9,849
Social security costs	1,061	827
Cost of defined contribution scheme	464	370
	<u>9,173</u>	<u>11,046</u>

The average monthly number of employees, including the directors, during the 52 week period was as follows:

	<b>52 week period ended 26 March 2022 No.</b>	<b>52 week period ended 27 March 2021 No.</b>
Venue	6	4
Administration	160	120
	<u>166</u>	<u>124</u>

**8. Interest receivable**

	<b>52 week period ended 26 March 2022 £000</b>	<b>52 week period ended 27 March 2021 £000</b>
Interest receivable	1,460	1,544
	<u>1,460</u>	<u>1,544</u>

THE AMBASSADOR THEATRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

9. Interest payable and similar expenses

	52 week period ended 26 March 2022 £000	52 week period ended 27 March 2021 £000
Interest payable	1,980	480
Finance leases and hire purchase contracts	309	48
	<u>2,289</u>	<u>528</u>

10. Taxation

	52 week period ended 26 March 2022 £000	52 week period ended 27 March 2021 £000
<b>Total current tax</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(2,118)
Changes to tax rates	(495)	-
Deferred tax (credit) / charge current year	(360)	-
Adjustments in respect of prior periods	1,162	-
<b>Total deferred tax</b>	<u>307</u>	<u>(2,118)</u>
<b>Taxation on loss on ordinary activities</b>	<u>307</u>	<u>(2,118)</u>

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**10. Taxation (continued)**

**Factors affecting tax charge for the 52 week period**

The tax assessed for the 52 week period is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	<b>52 week period ended 26 March 2022 £000</b>	<b>52 week period ended 27 March 2021 £000</b>
Loss on ordinary activities before tax	<b>(17,144)</b>	<b>(28,138)</b>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>(3,257)</b>	<b>(5,346)</b>
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>225</b>	<b>614</b>
Adjustments to tax charge in respect of prior periods	<b>1,162</b>	<b>439</b>
Effect of rate change on deferred tax	<b>(582)</b>	<b>-</b>
Group relief	<b>2,759</b>	<b>2,175</b>
<b>Total tax charge/(credit) for the 52 week period</b>	<b>307</b>	<b>(2,118)</b>

THE AMBASSADOR THEATRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

11. Intangible assets

	Computer software £000	Total £000
<b>Cost</b>		
At 28 March 2021	9,268	9,268
Additions - external	933	933
At 26 March 2022	<u>10,201</u>	<u>10,201</u>
<b>Amortisation</b>		
At 28 March 2021	2,928	2,928
Charge for the 52 week period on owned assets	1,538	1,538
At 26 March 2022	<u>4,466</u>	<u>4,466</u>
<b>Net book value</b>		
At 26 March 2022	<u>5,735</u>	<u>5,735</u>
At 27 March 2021	<u>6,340</u>	<u>6,340</u>

THE AMBASSADOR THEATRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

12. Tangible fixed assets

	Freehold property £000	Fixtures and fittings £000	Right of use assets £000	Total £000
<b>Cost or valuation</b>				
At 28 March 2021	87	14,525	1,523	16,135
Additions	-	6,711	1,890	8,601
Disposals	-	(3)	(936)	(939)
At 26 March 2022	87	21,233	2,477	23,797
<b>Depreciation</b>				
At 28 March 2021	-	4,774	1,065	5,839
Charge for the 52 week period on owned assets	-	2,862	339	3,201
Disposals	-	(1)	(936)	(937)
At 26 March 2022	-	7,635	468	8,103
<b>Net book value</b>				
At 26 March 2022	87	13,598	2,009	15,694
At 27 March 2021	87	9,751	458	10,296

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**12. Tangible fixed assets (continued)**

The net book value of land and buildings may be further analysed as follows:

	<b>26 March 2022 £000</b>	<b>27 March 2021 £000</b>
Freehold	87	87
	<u>87</u>	<u>87</u>
	<u><u>87</u></u>	<u><u>87</u></u>

**13. Fixed asset investments**

	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 28 March 2021	194,589
At 26 March 2022	<u>194,589</u>
<b>Impairment</b>	
At 28 March 2021	9,414
At 26 March 2022	<u>9,414</u>
<b>Net book value</b>	
At 26 March 2022	<u><u>185,175</u></u>
At 27 March 2021	<u><u>185,175</u></u>

The directly and indirectly held subsidiaries are listed in note 28.

THE AMBASSADOR THEATRE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

14. Inventories

	26 March 2022 £000	27 March 2021 £000
Finished goods and goods for resale	18	-
	<u>18</u>	<u>-</u>

15. Debtors

	26 March 2022 £000	27 March 2021 £000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	47,061	45,558
Other debtors	143	-
	<u>47,204</u>	<u>45,558</u>

	26 March 2022 £000	27 March 2021 £000
<b>Due within one year</b>		
Trade debtors	2,104	121
Amounts owed by group undertakings	1,488,876	1,285,009
Amounts owed by joint ventures and associated undertakings	-	30
Other debtors	4,750	11,828
Prepayments and accrued income	2,177	1,440
Deferred taxation	2,424	2,731
	<u>1,500,331</u>	<u>1,301,159</u>

Amounts owed by group undertakings that are considered financing arrangements carry interest at 4.5% plus LIBOR per annum. All other amounts owed by group undertakings are unsecured, interest free and repayable on demand.

16. Current asset investments

	26 March 2022 £000	27 March 2021 £000
Investments in shows	4,558	3,088
	<u>4,558</u>	<u>3,088</u>



**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**17. Cash and cash equivalents**

	<b>26 March 2022 £000</b>	27 March 2021 £000
Cash at bank and in hand	<b>1,029</b>	2,597
Less: bank overdrafts	<b>(3,481)</b>	-
	<u><b>(2,452)</b></u>	<u>2,597</u>

**18. Creditors: Amounts falling due within one year**

	<b>26 March 2022 £000</b>	27 March 2021 £000
Bank overdrafts	<b>3,481</b>	-
Trade creditors	<b>10,428</b>	1,673
Amounts owed to group undertakings	<b>1,660,243</b>	1,449,665
Lease liabilities	<b>139</b>	-
Other creditors	<b>321</b>	527
Accruals and deferred income	<b>9,942</b>	12,782
	<u><b>1,684,554</b></u>	<u>1,464,647</u>

Amounts owed to group undertakings that are considered financing arrangements carry interest at 4.5% plus LIBOR per annum. All other amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**19. Creditors: Amounts falling due after more than one year**

	<b>26 March 2022 £000</b>	27 March 2021 £000
Lease liabilities	<b>2,019</b>	495
Other creditors	<b>-</b>	1,981
	<u><b>2,019</b></u>	<u>2,476</u>

The weighted average incremental borrowing rate applied to measure lease liabilities is 5.5% to 8.38% (2021: 5.5% to 6.1%).

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**20. Leases**

**Company as a lessee**

The Company leases certain properties under finance lease arrangements. The average lease term is 75 years. The Group does not have the option to purchase the properties for a nominal value at the end of the lease terms, and the Group's obligations under the finance leases are secured over the properties being leased.

Interest rates underlying all obligations under finance leases are implicit rates ranging from 5.5% to 8.38% (2021: 5.5% to 6.1%).

Lease liabilities are due as follows:

	<b>26 March 2022 £000</b>	27 March 2021 £000
Not later than one year	-	129
Between one year and five years	<b>527</b>	366
Later than five years	<b>1,492</b>	-
	<u><b>2,019</b></u>	<u>495</u>

The present value of minimum lease payments is analysed as follows:

	<b>26 March 2022 £000</b>	27 March 2021 £000
Not later than one year	<b>317</b>	129
Between one year and five years	<b>1,111</b>	366
Later than five years	<b>1,763</b>	-
Less: future finance charges	<b>(1,172)</b>	-
	<u><b>2,019</b></u>	<u>495</u>

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**21. Deferred taxation**

	<b>26 March 2022 £000</b>	<b>27 March 2021 £000</b>
At beginning of year	2,731	613
Charged to profit or loss	(307)	2,118
<b>At end of year</b>	<b>2,424</b>	<b>2,731</b>

The deferred tax asset is made up as follows:

	<b>26 March 2022 £000</b>	<b>27 March 2021 £000</b>
Accelerated capital allowances	1,065	(61)
Tax losses carried forward	629	2,673
Other short term timing differences	730	119
	<b>2,424</b>	<b>2,731</b>

The deferred tax asset has been calculated at 25% reflecting the tax rate at which the deferred tax asset is expected to be utilised in future periods.

**22. Provisions**

	<b>Dilapidation provision £000</b>	<b>Ticketing and Refunds provision £000</b>	<b>Other provision £000</b>	<b>Total £000</b>
At 28 March 2021	291	1,901	-	2,192
Charged to profit or loss	64	1,185	2,282	3,531
<b>At 26 March 2022</b>	<b>355</b>	<b>3,086</b>	<b>2,282</b>	<b>5,723</b>

The Company continues to provide for the expected level of dilapidations for certain theatres and offices. The ticketing and refunds provision relates to expected costs to be borne by the business specifically in relation to cancelled programmes and refund of tickets. The adequacy of the provisions is periodically reviewed to ensure that they will meet the final obligations.

# THE AMBASSADOR THEATRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

### 23. Share capital

	26 March 2022 £	27 March 2021 £
<b>Allotted, called up and fully paid</b>		
9,983,323 (2021 - 9,983,323) Ordinary shares of £1.00 each	<b>9,983,323</b>	9,983,323

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and repayment of capital.

### 24. Contingent liabilities

A corporate cross guarantee of senior debt borrowed by International Entertainment Investments Limited exists between the Company, International Entertainment Finance Limited and the majority of its subsidiary undertakings. The senior debt is secured by a debenture over the whole of the assets of The Ambassador Theatre Group Limited and the majority of the assets of the International Entertainment Finance Limited Group. International Entertainment Finance Limited is a wholly owned subsidiary of International Entertainment Holdings Limited, the Company's ultimate parent company in the UK.

### 25. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £464,135 (2021: £370,000). Contributions totalling £100,269 (2021: £80,000) were payable to the fund at the reporting date and are included in creditors.

### 26. Related party transactions

The Company has taken advantage of exemptions available under paragraph 8(k) of FRS 101 not to disclose transactions with related parties which are wholly owned members of the same group. As such, there were no related party transactions during the period requiring disclosure (2021: £nil).

### 27. Controlling party

The Company's immediate parent company is The Ambassador Entertainment Group Limited. The parent company of the smallest and largest group in which the Company's results are consolidated is International Entertainment Holdings Limited, a company incorporated in England and Wales. The consolidated financial statements are available from the parent company's registered office, 28 St. George Street, London W1S 2FA.

The Company's ultimate parent company is IE Luxco S.a.r.l. (Luxembourg), which is controlled by Providence Equity Partners VII-A LP (Cayman Islands) and Providence VII Global Holdings LP (Cayman Islands), and Providence Equity Partners (Midsummer) LP (Cayman Islands), which the directors consider to be the Company's ultimate controlling parties.

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

# THE AMBASSADOR THEATRE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022

### 28. Listing of subsidiary entities, associates and joint ventures and investments

100% of the ordinary share capital of all subsidiaries is owned directly or indirectly unless otherwise indicated.

#### Incorporated in United Kingdom

All subsidiaries have taken the s479a exemption from audit unless exempt from audit in any case.

Subsidiary undertaking	% Shares held	Principal activity
<b>Direct Investments</b>		
ATG Entertainment Limited		Holding company
ATG London Limited		Theatre operator and ticketing agent
ATG Management Limited		Dormant
ATG Productions Limited		Production company
Aylesbury Waterside Theatre Limited		Theatre operator
Churchill Theatre Bromley Limited		Theatre operator
First Family Entertainment LLP		Production company
G.S Lashmar Limited	90%	Dormant
Glasgow Theatres Limited		Theatre operator
Highland Fling Japan Limited		Dormant
London Theatre Club Limited		Dormant
Milton Keynes Theatre Limited		Theatre operator
New Wimbledon Theatre Limited		Theatre operator
Playhouse Theatre Limited		Theatre operator
Richmond Theatre Limited		Theatre operator
Savoy Theatre Group Limited		Holding company
Savoy Theatre Holdings Limited		Dormant
Savoy Theatre Limited		Theatre operator
Screenstage Limited		Dormant
Screenstage Productions Limited		Dormant
Smart Plays Limited		Dormant
Sonia Friedman Productions Limited		Production company
SFP Dreams Limited		Production company
SFP Shows Limited		Production company
SFP Sunny Limited		Production company
Stoke-on-Trent Theatres Limited		Theatre operator
The Ambassador Theatre Group (Venues) Limited		Theatre operator
The Ambassador Theatre Group Overseas Holdings Limited		Holding company
The Duke of York's Theatre Limited		Theatre operator
The Ticket Machine Group Limited		Ticketing agency
Theatre Management Holdings Limited		Holding company
Theatre Management Limited		Theatre operator
Theatre Royal Brighton Limited		Theatre operator
Woking Turnstyle Limited		Theatre operator

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**28. Listing of subsidiary entities, associates and joint ventures and investments (continued)**

**Incorporated in USA**

<b>Subsidiary undertaking</b>	<b>% Shares held</b>	<b>Principal activity</b>
Ambassador Theatre Group		Management Services
– North America, LLC		
ATG San Antonio, LLC		Theatre operator
Arts Center Enterprises – Brooklyn LLC		Theatre operator
Arts Center Enterprises – New Orleans LLC		Theatre operator
Ambassador Theatre Group – NY LLC		Production company
ATG Tickets US, LLC		Ticketing agency
Hudson Theatre, LLC		Theatre operator
Kings Theatre Developer, LLC		Venue development
Kings Theatre Manager, LLC		Managing member
Lyric Theatre, LLC		Theatre operator
Majestic Presents, LLC		Theatre operator
Saenger Aggregator Leverage Lender, LLC	90%	Financing company
Saenger Theatre Developer, Inc		Venue Development
Saenger Theatre Manager, LLC		Managing Member
Saenger Theatre Partnership, Ltd		Dormant
SFP-NY, LLC		Production company
Sundance Productions, Inc		Production company
The Ambassador Theatre Group US Holdings, Inc		Holding company
ATG Colonial, LLC		Theatre operator
ACE SL, LLC		Venue operator
ATG San Francisco, LLC		Venue operator
Saenger Theatre Master Tenant LLC		Managing member
Saenger Theatre Redevelopment Company LLC		Venue developer
The Ambassador Theatre Group US Holdings, Inc		Holding company
CMT Concessions, LLC		Concessionaire

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**28. Listing of Subsidiary entities, associates and joint ventures and investments (continued)**

**Incorporated in Germany**

<b>Subsidiary undertaking</b>	<b>% Shares held</b>	<b>Principal activity</b>
BB Entertainment Holding GmbH		Holding company
BB Promotion GmbH		Promotions company
Entertainment Sales and Marketing Solutions GmbH (merged with MMS)		Marketing services
Moulin Rouge Musical Produktions GmbH (previously known as Fandango Musical GmbH)		Production company
On Stage Productions GmbH		Production company
Mehr-BB Entertainment GmbH		Holding company
Deutsche Eintrittskarten TKS GmbH		Ticketing company
Deutsche Eintrittskarten TKS Service Center GmbH		Ticketing company
Mehr-BB Theater GmbH		Theater operator
Starlight Express GmbH		Production company
HP-Theater Produktionsgesellschaft mbH		Production company

**Incorporated in Australia**

<b>Subsidiary undertaking</b>	<b>% Shares held</b>	<b>Principal activity</b>
The Ambassador Theatre Group Asia Pacific Pty Limited		Production company

**THE AMBASSADOR THEATRE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

**28. Listing of subsidiary entities, associates and joint ventures and investments (continued)**

**Associates and Joint Ventures**

<b>Name</b>	<b>Incorporated</b>	<b>% Shares held</b>	<b>Principal activity</b>
A.S.S. Concerts & Promotion GmbH	Germany	49.8%	Production company
Fatal Attraction Play Ltd	United Kingdom	18%	Production company
HPCC Group Limited	United Kingdom	25%	Production company
HP West End Limited	United Kingdom	25%	Production company
JB UK Tour II Productions Ltd	United Kingdom	16%	Production company
JB UK Tour III Productions Ltd	United Kingdom	16%	Production company
KKC Productions Ltd	United Kingdom	16%	Production company
ISM Show AG	Switzerland	50%	Production company
Mormon Trail Ltd	United Kingdom	15%	Production company
Planet Orlando Ltd	United Kingdom	15%	Production company
Pretty Woman UK Holdings Ltd	United Kingdom	27%	Production company
Pretty Woman Productions UK Ltd	United Kingdom	27%	Production company
SATG Rights Limited	United Kingdom	50%	Dormant entity
Suite 719, LLC	USA	27%	Production company
Train Times Broadway LP	USA	25%	Production company
Train Times SF LP	USA	25%	Production company
The UK Mission Ltd	United Kingdom	13%	Production company

**Other investments**

<b>Name</b>	<b>Incorporated</b>	<b>% Shares held</b>	<b>Principal activity</b>
Cieven Investments Ltd	United Kingdom	10%	Production company
For Forever London LLC	United Kingdom	15%	Production company
Kings Theatre Redevelopment Company LLC	USA	1.08%	Venue developer
M R Production West End Ltd	United Kingdom	4%	Production company
Stageservice Frankfurt am Main GmbH	Germany	10%	Production company
Waving Windows London Productions Ltd	United Kingdom	15%	Production company

Details of all group registered offices are included in the consolidated financial statements of International Entertainment Holdings Limited.