



LONDON TURNSTYLE (D.O.Y) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

Saffery Champness

CHARTERED ACCOUNTANTS

LONDON TURNSTYLE (D.O.Y) LIMITED

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COMPANY INFORMATION

DIRECTORS

H H Panter
D Beresford-Jones
R D Guilleret

SECRETARY

L M Bunyan

REGISTERED OFFICE

Fairfax House
Fulwood Place
Gray's Inn
London
WC1V 6UB

REGISTERED NUMBER

2680869

AUDITORS

Saffery Champness
Fairfax House
Fulwood Place
Gray's Inn
London
WC1V 6UB

DIRECTORS REPORT

The directors submit their report and the financial statements of London Turnstyle (D.O.Y) Limited for the year ended 30 September 1998.

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 keeping 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 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.

RESULTS AND DIVIDENDS

The results for the year are shown on page 4.

DIRECTORS

The directors who served during the year were:

H H Panter
D Beresford-Jones
R D Guilleret

None of the directors had a beneficial interest in the share capital of this company. All directors are also directors of the parent company and their interests in the parent company are shown in that company's financial statements.

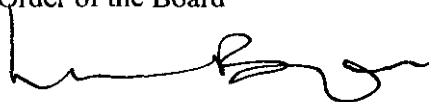
YEAR 2000 DATE CHANGE

The directors have reviewed the impact on the business of the year 2000 date change and have made plans to address this so that the business will not be materially affected. The costs to the company of dealing with these matters is not expected to be material.

AUDITORS

A resolution to re-appoint Saffery Champness as auditors will be put to the members at the Annual General Meeting.

By Order of the Board


L M Bunyan Secretary

29 July 1999

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on page 4 to 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the directors' report 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.

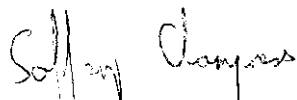
BASIS OF OPINION

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 affairs of the company as at 30 September 1998 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAFFERY CHAMPNESS
Chartered Accountants
Registered Auditors
Fairfax House
Fulwood Place
Gray's Inn
London
WC1V 6UB

29 July 1999

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1998

	Note	1998	1997
Interest receivable		50,190	50,190
Interest payable	2	<u>(50,190)</u>	<u>(50,190)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>£-</u>	<u>£-</u>

The notes on pages 6 and 7 form part of these accounts.

All recognised gains and losses have been reflected in the profit and loss account.

The results for the year all relate to continuing operations.

BALANCE SHEET
30 SEPTEMBER 1998

	Notes	30.9.98	30.9.97
FIXED ASSETS			
Investments	3	817,000	817,000
CURRENT ASSETS			
Due from group undertakings		2	2
Other debtors		<u>100,190</u>	<u>100,190</u>
		100,192	100,192
CREDITORS: Amounts falling due within one year			
Other creditors		<u>(50,190)</u>	<u>(50,190)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£867,002</u>	<u>£867,002</u>
CREDITORS: Amounts falling due after more than one year	4	867,000	867,000
CAPITAL			
Called up share capital	5	<u>2</u>	<u>2</u>
SHAREHOLDERS FUNDS - Equity interests		<u>£867,002</u>	<u>£867,002</u>

Approved by the board on 29 JULY 1999


Director
H Panter

The notes on pages 6 and 7 form part of these accounts

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998

1 ACCOUNTING POLICIES

a) Basis of Accounting

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

b) Fixed Asset Investments

Fixed asset investments are stated at cost less any provision for permanent diminution in value.

2 INTEREST PAYABLE

On 7% loan stock	<u>£50,190</u>
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3 INVESTMENTS

SHARES AND
LOANS TO
ASSOCIATED
UNDERTAKINGS

Balance brought forward at 1 October 1997	817,000
Balance carried forward at 30 September 1998	<u>£817,000</u>

The company holds one-quarter of the Ordinary £1 Shares and one-quarter of the 7% Unsecured Loan Capital of The Ambassador Theatre Group Limited a company incorporated in England and Wales, and through that investment the company has an indirect holding of one-quarter of the equity of The Duke of York's Theatre Limited, The Ambassadors Theatre Limited, Woking Turnstyle Limited, Stoke on Trent Theatres Limited and Milton Keynes Theatres Limited. All these companies are registered in England and Wales.

The details of these companies are as follows:-

	NATURE OF BUSINESS	AGGREGATE CAPITAL AND RESERVES	PROFIT/ (LOSS) FOR THE PERIOD
The Ambassador Theatre Group Limited	Holding Company	£689,606	£9,813
The Duke of York's Theatre Limited	Theatre Management	£2,127,161	£110,468
The Ambassadors Theatre Limited	Theatre Management	£19,122	£33,415
Woking Turnstyle Limited	Theatre Management	£148,049	£139,240
Stoke on Trent Theatres Limited	Theatre Management	£-	£-
Milton Keynes Theatres Limited	Theatre Management	£-	£-

In the directors opinion the aggregate value of the assets of both these companies is not less than the aggregate amount which these assets are stated in their balance sheets.

Group accounts have not been prepared as the company is itself a wholly owned subsidiary of a

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 (continued)

4 CREDITORS	1998	1997
Amounts falling due after one year		
7% Loan stock	750,000	750,000
Other loans	50,000	50,000
Amounts owed to parent undertaking	67,000	67,000
	<u>£867,000</u>	<u>£867,000</u>

The loan stock is redeemable on 11 March 2007 or earlier at the option of the company. It is unsecured and the interest is only payable if the company has sufficient distributable profits.

The other loans are unsecured, repayable at the company's option and do not bear interest.

5 SHARE CAPITAL

Authorised Ordinary shares of £1 each	<u>£1,000,000</u>	<u>£1,000,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>£2</u>	<u>£2</u>

6 PARENT UNDERTAKING

The company is a wholly owned subsidiary undertaking of London Turnstyle Limited, a company incorporated in England and Wales.