

**Sadler's Wells Limited**

**Company Number 2907116**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE 17 MONTH PERIOD ENDED  
31 AUGUST 2003**



# Sadler's Wells Limited

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**Sadler's Wells Limited**  
**Directors, Officers and Administrative Information**

**Directors**

Hugh Morris (Chairman)  
Matt Cooper  
Paul Cullington

**Secretary**

Jean-Luc Choplin

**Registered Office**

Sadler's Wells Theatre  
Rosebery Avenue  
London EC1R 4TN

**Bankers**

National Westminster Bank plc  
Holborn Circus  
2 Hatton Garden  
London EC1N 8AB

**Auditors**

Kingston Smith  
Quadrant House  
80-82 Regent Street  
London W1B 5RP

**Solicitors**

Clifford Chance  
10 Upper Bank Street  
London E14 5JJ

# Sadler's Wells Limited

## Report of the Directors

The Directors present their report and audited financial statements for the 17 month period ended 31 August 2003.

### Principal Activities

The company promotes commercial events at the Sadler's Wells and Peacock theatres.

### Review of Business

The company gifts any surplus made back to the parent company, Sadler's Wells Trust, at the end of each period. Donations of £540,142 (2002:£269,632) were paid to Sadler's Wells Trust during the period. Accordingly, no dividend is recommended.

### Directors

The members of the Board who served during the year under review were as follows:

Matt Cooper

Paul Cullington

Hugh Morris

Ian Bronson Albery                      Resigned 25 April 2002

Ian Hay Davison CBE                  Resigned 25 April 2002

No Directors had any interest in the company during the period.

### 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.

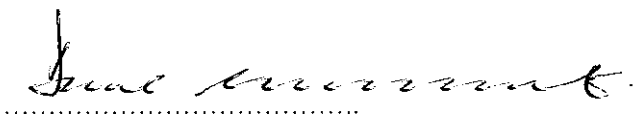
In preparing those financial statements, the Directors are required to select suitable accounting policies and then apply them consistently; make judgments and estimates that are reasonable and prudent; prepare the financial statements on a going concern basis unless it is inappropriate to assume that 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 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.

### Auditors

During the period Moore Stephens resigned and Kingston Smith were appointed as auditors. A resolution for the reappointment of Kingston Smith as auditors is to be proposed at the forthcoming Annual General Meeting.

Approved by the members of the board on 20 November 2003  
and signed on their behalf by:



Paul Cullington - Director

# Independent Auditors' Report to the Members of Sadler's Wells Limited

We have audited the financial statements of Sadler's Wells Limited Limited for the 17 month period ended 31 August 2003 which comprise the Profit & Loss Account, Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and 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

As described in the Statement of Directors' Responsibilities set out on page 1, the company's Directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

## Basis of Audit Opinion

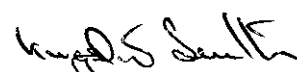
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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.

## Opinion

In our opinion the financial statements give a true and fair view of the state of Sadler's Wells Limited affairs as at 31 August 2003, and of its result for the 17 month period then ended, and have been properly prepared in accordance with the Companies Act 1985.

Quadrant House  
80-82 Regent Street  
London W1B 5RP

  
KINGSTON SMITH  
Chartered Accountants  
and Registered Auditors

21 November 2003

**Sadler's Wells Limited**  
**Profit and Loss Account**  
**For the 17 month period ended 31 August 2003**

		17 months ended 31 August 2003 £	12 months ended 31 March 2002 £
Turnover	1(b)	1,082,316	837,833
Cost of sales		<u>(405,356)</u>	<u>(462,055)</u>
<b>Gross Profit</b>		676,960	375,778
Administration expenses		(136,818)	(106,146)
Donation	7	<u>(540,142)</u>	<u>(269,632)</u>
<b>Operating Profit</b>		-	-
Taxation		-	-
<b>Result For The Financial Period</b>		<u><u>-</u></u>	<u><u>-</u></u>

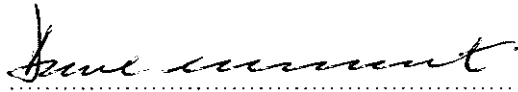
There are no recognised gains or losses in the period other than those included in the profit and loss account

# Sadler's Wells Limited

## Balance Sheet as at 31 August 2003

		31 August 2003 £	31 March 2002 £
	Note		
<b>Current Assets</b>			
Debtors	3	187,421	123,212
<b>Creditors: Amounts Falling Due Within One Year</b>	4	<u>(187,419)</u>	<u>(123,210)</u>
<b>Total Assets less Current Liabilities</b>		<u><u>2</u></u>	<u><u>2</u></u>
<b>Capital and Reserves</b>			
Called up share capital	5	2	2
<b>Equity Shareholders' Funds</b>		<u><u>2</u></u>	<u><u>2</u></u>

Approved by the members of the board on 20 November 2003  
and signed on their behalf by:



Paul Cullington - Director

# Sadler's Wells Limited

## Notes to the Financial Statements

### For the 17 month period ended 31 August 2003

#### 1. Accounting Policies

##### (a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards. The accounting policies remain unchanged from the previous period.

##### (b) Turnover

The turnover for the period consists of income from catering, presentations and hirings and is stated net of value added tax.

#### 2. Staff and Directors

Other than the Directors, who received no remuneration, the company employed no staff during the period. A charge of £145,968 (2002: £91,868) was incurred from Sadler's Wells Trust in respect of the services of 3 (2002: 3) employees of that company, during the period.

The company has an insurance policy in respect of claims against the Directors of the company, the cost of which was incurred by a related company.

#### 3. Debtors

	31 August 2003 £	31 March 2002 £
Trade debtors	187,419	123,210
Amounts owed by group undertakings	<u>2</u>	<u>2</u>
	<u>187,421</u>	<u>123,212</u>

#### 4. Creditors: Amounts falling due within one year

Amounts owed to group undertakings	<u>187,419</u>	<u>123,210</u>
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#### 5. Equity Share Capital

Authorised, called up and unpaid:  
2 ordinary shares of £1 each

<u>2</u>	<u>2</u>
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#### 6. Ultimate Controlling Party

The ultimate parent company and controlling party is Sadler's Wells Trust, due to its ownership of the company's entire share capital.

Copies of the group's financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.



**Sadler's Wells Limited**  
**Notes to the Financial Statements**  
**For the 17 month period ended 31 August 2003 (continued)**

**7. Related Parties**

Sadler's Wells Limited donated £540,142 (2002: £269,632) to its parent company during the period. At the period ended 31 August 2003 Sadler's Wells Limited owed its parent company £187,419 (2002: £123,210). In addition Sadler's Wells Trust owes Sadler's Wells Limited £2 (2002: £2) in respect of unpaid share capital.

**8. Contingent Liabilities**

The assets of the company are subject to a floating charge by the Arts Council of England in respect of grants received by New Sadler's Wells and Sadler's Wells Trust. As at 31 August 2003 the liabilities in respect of these balances amounted to £46,860,996 (2002: £45,906,380). The liability would fall due if the theatre complex was no longer used for its primary purpose.