

Company Registration No. 4275951 (England and Wales)

SMART PLAYS LIMITED

(FORMERLY ATG MANAGEMENT LIMITED)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004



SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
COMPANY INFORMATION

Directors	H J Enright R A Squire H H Panter D Blyth M C Lynas
Secretary	H J Enright
Company number	4275951
Registered office	The Ambassadors Peacocks Centre Woking Surrey GU21 6GQ
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	National Westminster Bank plc PO Box 113 Cavell House 2A Charing Cross Road London WC2H 0PD

SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 9

**SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2004**

The directors present their report and financial statements for the year ended 30 September 2004.

The company changed its name on 14 October 2004 from ATG Management Limited to Smart Plays Limited.

Principal activities

The principal activity of the company was that of a theatre productions company.

Directors

The following directors have held office since 1 October 2003:

H J Enright
R A Squire
H H Panter
D Blyth
M C Lynas

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2004	1 October 2003
H J Enright	-	-
R A Squire	-	-
H H Panter	-	-
D Blyth	-	-
M C Lynas	-	-

Any interests the directors have in the share capital of the ultimate holding company are disclosed in the accounts of that company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Saffery Champness be reappointed as auditors of the company will be put to the Annual General Meeting.

**SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2004**

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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



H J Enright

Director

22 April 2005

**SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SMART PLAYS LIMITED**

We have audited the financial statements of Smart Plays Limited on pages 5 to 9 for the year ended 30 September 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 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 and regulatory requirements and United Kingdom Auditing Standards.

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.

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 misstatements 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 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.

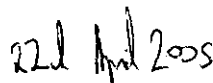
**SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF SMART PLAYS LIMITED**

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Saffery Champness

Chartered Accountants
Registered Auditors


.....

Lion House
Red Lion Street
London
WC1R 4GB

SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Notes	2004 £	2003 £
Administrative expenses		(2,238)	(802)
Operating loss	2	(2,238)	(802)
Interest payable and similar charges		-	(60)
Loss on ordinary activities before taxation		(2,238)	(862)
Tax on loss on ordinary activities	3	(16)	(860)
Loss on ordinary activities after taxation	7	<u>(2,254)</u>	<u>(1,722)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 7 to 9 form part of these financial statements.

SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
BALANCE SHEET
AS AT 30 SEPTEMBER 2004

	Notes	2004 £	£	2003 £	£
Current assets					
Debtors	4	35,724		37,583	
Cash at bank and in hand		22,288		46,262	
		<u>58,012</u>		<u>83,845</u>	
Creditors: amounts falling due within one year	5	<u>(33,529)</u>		<u>(57,108)</u>	
Total assets less current liabilities			<u>24,483</u>		<u>26,737</u>
Capital and reserves					
Called up share capital	6		1		1
Profit and loss account	7		<u>24,482</u>		<u>26,736</u>
Shareholders' funds - equity interests	8		<u>24,483</u>		<u>26,737</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

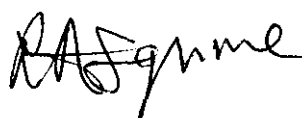
The notes on pages 7 to 9 form part of these financial statements.

The financial statements were approved by the Board on 22 April 2005



Director

HELEN ENRIGHT



Director

R A SQUIRE

SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating loss	2004	2003
	£	£
Operating loss is stated after charging:		
Auditors' remuneration	1,600	1,175
and after crediting:		
Profit on foreign exchange transactions	(180)	(923)
	<u> </u>	<u> </u>

SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2004

3	Taxation	2004	2003
		£	£
	Domestic current year tax		
	Adjustment for prior years	16	860
		<u>16</u>	<u>860</u>
	Current tax charge	<u>16</u>	<u>860</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(2,238)	(862)
		<u>(2,238)</u>	<u>(862)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 19.00%)	(671)	(164)
		<u>(671)</u>	<u>(164)</u>
	Effects of:		
	Tax losses utilised	671	164
	Adjustments to previous periods	16	860
		<u>687</u>	<u>1,024</u>
	Current tax charge	<u>16</u>	<u>860</u>
4	Debtors	2004	2003
		£	£
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	35,724	37,583
		<u>35,724</u>	<u>37,583</u>
5	Creditors: amounts falling due within one year	2004	2003
		£	£
	Trade creditors	-	18,136
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	32,529	32,529
	Taxation and social security	-	5,443
	Other creditors	1,000	1,000
		<u>33,529</u>	<u>57,108</u>

SMART PLAYS LIMITED
(FORMERLY ATG MANAGEMENT LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2004

6	Share capital	2004	2003
		£	£
	Authorised		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
7	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 October 2003		26,736
	Retained loss for the year		<u>(2,254)</u>
	Balance at 30 September 2004		<u>24,482</u>
8	Reconciliation of movements in shareholders' funds	2004	2003
		£	£
	Loss for the financial year	(2,254)	(1,722)
	Opening shareholders' funds	<u>26,737</u>	<u>28,459</u>
	Closing shareholders' funds	<u>24,483</u>	<u>26,737</u>

9 **Contingent liabilities**

A corporate cross guarantee exists between Smart Plays Limited and its parent and fellow subsidiary undertakings. The bank holds a debenture over the whole of the assets of Smart Plays Limited.

10 **Control**

The ultimate parent company is The Ambassadors Theatre Group Limited.

11 **Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.