

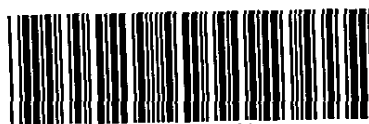
Registered number 08769976

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015

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THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

COMPANY INFORMATION

Directors

G Dyke
H J Enright
C M Graham
P R M Kavanagh
J R Lenane
H H Panter
R A Squire
R Sudo
S Teo
A A Tisdale

Registered number

08769976

Registered office

2nd Floor Alexander House
Church Path
Woking
Surrey
GU21 6EJ

Independent Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
2 New Street Square
London
United Kingdom
EC4A 3BZ

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 28 MARCH 2015

Introduction

The directors present their strategic report on the Group for the period ended 28 March 2015

The Company was incorporated on 11 November 2013, and on 29 November 2013, a subsidiary of the Company acquired the entire issued share capital of The Ambassador Entertainment Group Limited. This is therefore the first full year of operation of the Group under its current ownership structure

Strategy, Business Model & Performance

The UK Theatre Market

The Group operates in large and resilient theatre markets, benefitting from a macro trend of growth in live entertainment

The figures published by the Society of London Theatre for 2014 showed revenues up 6.5% and an increase of 1.1% in admissions in the West End

Using the long-term growth in the West End as a benchmark, the Group sees other international markets as having significant potential for growth and this, together with the potential from ATG's business model, described below, forms a basis for the Group's strategy of international expansion

ATG Business Model

ATG operates an integrated business model incorporating venue management, ticketing and the production of the shows themselves

The Group owns and operates some of the most iconic venues in the UK, 12 in London and 26 across the UK, as well as the Lyric Theatre, the largest theatre on Broadway

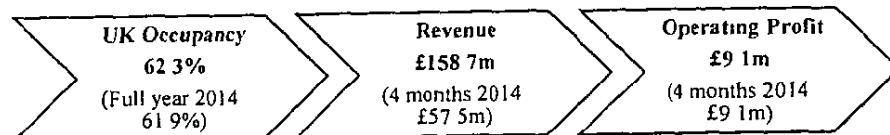
The Group operates the largest theatre ticketing business in the UK and sells the majority of tickets to its shows through its own ticketing businesses as well as via third party vendors

The Group develops and produces new content in addition to co-producing and investing in, and presenting content from, independent producers. As well as producing content for ATG's venues, the activities of this division also enable the Group to present content in other venues both in the UK and internationally

ATG Strategic Priorities & Performance

1 MAINTAIN THE STRENGTH OF THE CORE UK BUSINESS THROUGH PROVIDING CONTENT CUSTOMERS WISH TO SEE, IN ACCESSIBLE LOCATIONS, WITH THE RIGHT RETAIL OFFERING AND GREAT CUSTOMER SERVICE

Key Performance Indicators



What ATG has achieved

The comparative period in the financial statements is for the four month period from 29 November 2013 to 29 March 2014. This is the Group's seasonally strong period, so a higher proportion of the revenue and operating profit is generated in this period.

Higher theatre occupancy than in the prior year and the acquisition of Ticket Machine Group and strong organic development have also contributed to increased revenue and operating profit.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 28 MARCH 2015

Performance has been strong in our key London venues, with *The Lion King* (at the Lyceum Theatre) and *Wicked* (at the Apollo Victoria), in particular, continuing to perform well. *The Lion King* celebrated 15 years in the West End in October 2014 and *Wicked* won the Audience Award at the Olivier awards in April 2015 in its ninth year in the West End.

First Family Entertainment, our pantomime production business, celebrated its tenth anniversary, with pantomimes playing at ten of our venues across the UK over the Christmas and New Year period.

The Trafalgar Transformed season has continued successfully at Trafalgar Studios including very well received productions of *Richard III* starring Martin Freeman and *The Ruling Class* starring James McAvoy. The Group purchased the freehold of Trafalgar Studios during the period, so securing the long term future of ATG's operations at this theatre.

The pipeline of content looks steady for the next financial year, particularly in our London venues, where there are several theatres with long running shows such as *The Lion King*, *Wicked*, *Woman in Black* at the Fortune Theatre and *Jersey Boys* at the Piccadilly Theatre. At the Savoy Theatre, *Gypsy* has extended its run to November 2015, and will be followed by *Guys and Dolls*. *Bend it like Beckham*, a Sonia Friedman co-production, has opened at the Phoenix Theatre and *Sunny Afternoon*, the musical based on the music of the Kinks, received four Olivier awards in April 2015 and continues to play at the Harold Pinter Theatre.

The acquisition of the Ticket Machine Group in December 2013 has significantly increased the Group's reach in the UK Theatre Ticketing market through its key brands LOVEtheatre and Group Line.

2

CONTINUE TO EXPAND THE GROUP'S INTERNATIONAL ACTIVITY

Key Performance Indicators

Reopened the Lyric Theatre on Broadway

In May 2015, acquired majority holding in BB Group GmbH

What ATG has achieved

In New York, the Group's Broadway venue, the Lyric Theatre reopened with a well-received musical *On the Town*. The Group has continued to co-produce Broadway content, with notable successful co-productions in the year including *The King & I*, which won four Tony awards in June 2015, and *The River*.

The Group has continued to expand its operations in Australia with tours of *Rocky Horror Show* and *Thriller*.

Subsequent to the year end, in May 2015, the Group made its first European acquisition, taking a majority shareholding in BB Group GmbH. BB Group GmbH is one of the leading producers and promoters of premium live entertainment in Europe, with a particular strength in touring musicals and dance productions throughout Germany, Austria and Switzerland.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

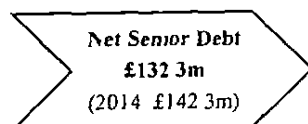
GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 28 MARCH 2015

Financial Position

The position of the Group at the period end is set out in the consolidated balance sheet on page 14 and in the related notes on pages 18 to 37

Leverage and Liquidity

Key Performance
Indicator



What ATG has achieved The Group has generated positive cash flows after meeting its obligations, and has, throughout the period, operated within its required debt covenants

Cash As at 28 March 2015, the Group had cash and cash equivalents of £23.8m (£29.0m net of overdrafts of £5.2m), and additional available facilities of £35.2m

The cash balance increased by £6.2m in the year (net of overdrafts)

	£m
Operating cash flows	34.1
Investing cash flows	(13.4)
Financing cash flows	(14.4)
Net cash flows	6.3

Investing cash flows include £9.0m of capital expenditure invested to improve the quality of the venues, including rolling out Ambassador lounges and piano bars across certain venues

Financing cash flows include £9.0m of interest and £3.8m of capital repaid on the senior debt facility

Borrowings

The November 2013 acquisition was funded in part by senior debt finance from a syndicate of lenders. The balance outstanding as at 28 March 2015 was £156.1m (2014 £159.8m). The senior debt is secured by a debenture over the majority of the assets of the Group. The senior facilities agreement also requires the Group to comply with certain covenants. As at 28 March 2015 the Group was in compliance with all of these covenants.

The remainder of the acquisition price was funded by a fixed rate interest-bearing loan from the parent company ATG Luxco S r l which was £267.0m as at 28 March 2015 (2014 £242.7m).

There is a finance lease creditor of £90.7m (2014 £84.4m).

The maturity of the debt is shown in notes 15 and 16 to the financial statements. The majority of this debt is not repayable for more than 5 years.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 28 MARCH 2015**

Principal Risks & Uncertainties

Operational Risks	Relevant Strategic Priority	Mitigation
Downturn in theatre attendance	<i>Maintain the strength of the core UK business</i>	The Group's aim is to attract customers with high quality productions and manage dark periods through nurturing strong relationships with show producers and investing in the development of new show content
Lack of available opportunities for international expansion or failure to integrate acquired businesses	<i>Expand the Group's international activity</i>	Management has significant experience of acquisition and integration activity, and works with third party advisors to ensure that appropriate due diligence is carried out prior to acquisition and that local laws and regulations are followed. Detailed, cross-functional plans are created to ensure that newly acquired businesses are effectively and efficiently integrated into the Group
Financial Risks	Description	Mitigation
Liquidity Risk	Liquidity risk is the risk that cash may not be available to pay obligations when they fall due	The Group monitors its liquidity requirements closely to ensure that there are sufficient funds. In addition, compliance with the covenants in the senior facilities agreement is monitored. As at 28 March 2015, the Group had cash and cash equivalents of £23.8m and undrawn committed facilities of £35.2m
Interest Rate Risk	The Group has significant levels of floating rate borrowings and is therefore exposed to the impact of interest rate fluctuations	The Group's policy on interest rate risk is designed to limit the Group's exposure to fluctuating interest rates. This is done using interest rate swaps. At 28 March 2015, interest rate swaps with a notional value of £103.3m are in place which fix LIBOR at an average of 1.239%. These interest rate swaps expire in December 2016
Foreign Exchange Risk	Foreign exchange risk is the risk of volatility due to a change in foreign currency exchange rates	The Group's activities expose it to an element of financial risk of change in foreign currency exchange rates, although this is in relation to a relatively small element of the business, primarily the Group's venue in the USA, and some trading in Australia
Credit Risk	Credit risk is the risk that a counterparty will be unable to pay amounts in full when due	The majority of ticket sales are to the general public who pay for their tickets in advance of shows taking place, and there is therefore limited credit risk attached to these sales. There are also sales via third party agents, with whom the Group has long standing relationships. There is close monitoring of debtors who fail to pay within the Group's contractual payment terms

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 28 MARCH 2015

Corporate Social Responsibility

Environmental Matters

The Group recognises the importance of its environmental responsibilities and monitors its impact on the environment and designs and implements appropriate policies to minimise any damage that might be caused by the Group's activities

Initiatives designed to minimise the Group's impact on the environment include recycling and in particular reducing energy consumption wherever possible. In November 2014 the Group was awarded a Green Apple Environment Silver Award for Leisure and Travel Green Practices. The Group won the prize for its ongoing *Project Blackout* initiative, which identifies overnight energy waste issues and associated costs involved and engages with senior management, venue staff and ATG's Green Ambassadors to implement simple switch off solutions. The Group's UK carbon emissions for the twelve months to March 2015 were 12,642 tonnes of CO₂ compared to 12,948 tonnes in the same period in 2014.

Our People (including Human Rights)

Number of employees at 28 March 2015	Women	Men
Directors of the company	3	7
Other senior management	1	5
Employees	1,921	1,623

The Group complies with all relevant legislation including that specifically targeted at preventing discrimination and such principles are embedded through the organisation by the requisite policies. The Group is committed to ensuring the health, safety and welfare of its employees as far as is reasonably practicable. The Group seeks to ensure that statutory duties are met at all times and that it operates effective health and safety management.

The Group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

The Group introduced its "Be a Star" training programme in 2012 focusing on front of house and box office staff from their commencement with the Group developing their skills to improve customer experience. The programme proved popular and from 2013 the "Be a Star Manager" programme has been broadened to include key aspects of people management covering everything from recruitment to effective performance management.

The Group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Social & Community Involvement

The Group's UK regional theatres are rooted in the heart of their local communities and have Creative Learning departments which take a leading role in contributing to the social cohesion of their communities in partnership with charities, trusts and organisations nationwide including several local authorities and further education partners.

People of a wide variety of ages and abilities participate in the Group's Creative Learning activities. Often inspired by the productions at venues, these can include workshops with visiting companies, backstage tours and pre-show talks but also Youth Theatres, summer schools and classes for adults.

In addition to this, many regional venues are used for several weeks a year by local amateur production companies, often achieving high levels of audience attendance.

This report was approved by the board on 20 July 2015 and signed on its behalf



H J Enright
Director

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 28 MARCH 2015

The directors present their report and the financial statements for the period ended 28 March 2015. The directors consider the annual report and financial statements to comply with all aspects of the "Guidelines for Disclosure and Transparency in Private Equity"

Directors' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the Group 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 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

Results and dividends

The loss for the period, after taxation, amounted to £31.9m (2014: £5.7m). No dividend was declared in either the current or preceding period.

Directors

The directors who served during the period and to the date of signing the financial statements (except as noted) were

G Dyke
H J Enright
C Graham[^]
Q Hammad (appointed 17 September 2014, resigned 26 March 2015)*
P R M Kavanagh
J R Lenane[^]
J Mollerstrom (resigned 18 August 2014)*
H H Panter
S Schmidt (resigned 8 May 2014)*
R A Squire
R Sudo*
S Teo*
A A Tisdale*

The biographies of the current directors are presented on pages 8 to 9

*Representative of Providence Equity Partners

[^]Representative of Exponent Private Equity LLP

The Group is majority owned by Providence Equity Partners through its investment funds, Providence Equity Partners VII-A LP and Providence VII Global Holdings LP. Providence Equity Partners is a global alternative investment firm established in 1989 focused on education, media, communications and information investments. The firm's private equity platform specialises in sector-focused buyout transactions and growth capital investments. Providence Equity Partners made its investment in the Group through ATG Luxco S a r l

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

DIRECTORS' REPORT
FOR THE PERIOD ENDED 28 MARCH 2015

Matters covered in the Strategic Report

Certain matters (principal risks and uncertainties, employee matters, future developments and post balance sheet events) are discussed within the Strategic Report, and incorporated into the Directors' Report by reference

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information

Auditor

Deloitte LLP was reappointed as auditor during the period. A resolution for their reappointment will be proposed in accordance with section 485 of the Companies Act 2006

Going concern


The financial statements have been prepared on the going concern basis

The Group has net liabilities of £32.8m and net current liabilities of £35.5m at the balance sheet date. Net liabilities include £234.4m in loans from the parent Company ATG Luxco S a r l and £32.6m in accumulated interest in respect of such loans which are not payable until the earlier of 2062 and the sale of the Group, whichever occurs first. Net current liabilities include £39.8m relating to advance sales where bookings have been made in advance of the production date which typically do not require immediate repayment and are recognised as revenue when the show is performed. Excluding this amount the Group has a net current assets position. The Group is obliged to meet financial covenants as part of arranging senior debt. These covenants are being met with comfortable headroom and forecasts indicate that this will continue to be the case. The hedging arrangements in place provide protection against potential increases in interest rates.

In addition, the Group benefits from long-established relationships with major producers of shows and a network of supplier contracts across different geographic areas. Shows go on sale up to eighteen months before the first performance date which helps mitigate risk, provides financial security and helps the Group monitor and forecast future performance given that the majority of tickets for a performance are sold at least several weeks before the performance takes place.

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 and the Group have 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.

This report was approved by the board on 20 July 2015 and signed on its behalf


H J Enright
Director

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

DIRECTORS BIOGRAPHIES

Greg Dyke, Chairman

Greg Dyke became Chairman of the Ambassador Theatre Group in December 2009

Greg has enjoyed a long and distinguished career in journalism and broadcasting, most notably as Director General of the BBC. He is currently also Chairman of both The Football Association and the British Film Institute. Greg has been Chancellor of the University of York since 2004.

Sir Howard Panter, Co-Founder, Joint Chief Executive & Creative Director

Howard has over 40 years' experience in the Arts and Entertainment industry. He received a Knighthood in The Queen's Birthday Honours List 2013 for services to theatre.

As Creative Director of ATG Productions, Howard has produced and co-produced musicals and drama for the West End, internationally and on national tours.

Howard is a Director of Rocky Horror Company Limited, serves on the LAMDA Development Council and is Chair of Rambert Dance Company.

Rosemary Squire OBE, Co-Founder & Joint Chief Executive

Rosemary is co-founder and Joint CEO of the Ambassador Theatre Group and is responsible for the Company's core business and new projects team.

In 2014, Rosemary was named UK EY Entrepreneur of the Year, the first woman to be recognised for this title. Rosemary also appeared at number 16 on the inaugural BBC Radio 4 Woman's Hour Power List in 2013, which is intended to serve as a snapshot of the 100 most powerful women operating in the UK.

Howard and Rosemary have been ranked number 1 on the list of The Stage 100, the industry newspaper's guide to the 100 most influential people in UK Theatre for the last six years. In 2013, they were placed first in the Evening Standard 'Power 1000' Theatre section.

Helen Enright, Chief Financial Officer & Commercial Director

As Chief Financial Officer and Commercial Director, Helen is responsible for the Ambassador Theatre Group's Finance, Information Technology, Ticketing and Human Resources teams.

Helen is a Chartered Accountant qualifying with Ernst and Young in 1984. She joined ATG in April 2000 as Finance Director. Previously she spent 13 years in the advertising industry holding senior finance roles within M&A plc, and French stock-exchange listed companies Havas and Vivendi.

Peter Kavanagh, Legal & Business Affairs Director

Peter is a UK qualified lawyer with over 30 years of experience, specialising mostly in UK and international mergers & acquisitions and corporate finance.

Peter joined the Group at the start of 2007, having worked as the Group's principal external legal adviser since the mid-1990s. His responsibilities include legal matters, business planning and corporate strategy development as well as evaluating new opportunities and developing the Group's IP rights both in the UK and internationally.

Previously, Peter was a partner in the London office of US law firm Hunton & Williams. Prior to joining Hunton & Williams in 2002, Peter was a partner at London law firm Theodore Goddard for 13 years, serving as managing partner from 1997 to 1999.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

DIRECTORS BIOGRAPHIES

Andrew Tisdale, Providence Equity Partners

Andrew Tisdale is a managing director at Providence Equity Partners

Andrew is also a director of Clarion Events, HSE24 and M7

Prior to joining Providence Equity Partners in 2008, Andrew was global co-head of the media and communications group and a member of Morgan Stanley's management committee for investment banking. During his 18 year tenure at Morgan Stanley, Andrew held various roles within investment banking, including co-head of the media and communications group for North and South America and, subsequently, the same role for Europe, the Middle East and Africa. He also led Morgan Stanley's investment banking activities in Brazil. Andrew received a Master of Business Administration from the University of North Carolina at Chapel Hill and a Bachelor of Arts from Vanderbilt University.

Robert Sudo, Providence Equity Partners

Robert Sudo is a managing director at Providence Equity Partners

Robert is also a director of Clarion Events, HSE24 and Volia Limited

Prior to joining Providence Equity Partners in 2004, Robert worked as an analyst for Goldman Sachs in mergers and acquisitions and corporate finance. He received a Diploma in Business Administration from HHL Leipzig Graduate School of Management.

ShanMae Teo, Providence Equity Partners

ShanMae Teo is a director at Providence Equity Partners

She is also a director of Digital Platform İletişim Hizmetleri (Digiturk)

Prior to joining Providence Equity Partners in 2007, ShanMae was a consultant at Bain & Company in London, where she focused on projects for private equity and corporate clients in industries including communications and information services, consumer products and utilities. Prior to Bain, she was with M/C Venture Partners, a venture capital firm focused on communications services investments. Previously, ShanMae worked at Adero and Salomon Smith Barney. ShanMae received a Master of Business Administration from INSEAD and a Bachelor of Science from Boston College.

Chris Graham, Exponent Private Equity

Chris was one of the founding partners of Exponent in 2004

He is also a director of Quom Foods, Immediate Media and Loch Lomond Group and previously sat on the boards of TSL, V Group and Gorkana Group. Chris previously worked for 3i, Bank of America and KPMG. He has a BA in Economics from Manchester University.

Richard Lenane, Exponent Private Equity

Richard joined Exponent in January 2005

He is also a director of Immediate Media, Fintrax Group and Big Bus Tours and previously sat on the boards of TSL, Group GTI and Gorkana Group. Richard previously worked for Apax and the Boston Consulting Group. He has an MEng from Cambridge University and an MBA from Harvard Business School.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

We have audited the financial statements of The Ambassador Theatre Group Holdings Limited for the 52 week period ended 28 March 2015, which comprise the consolidated Profit and Loss Account, the consolidated Statement of Total Recognised Gains and Losses, the consolidated and Company Balance Sheets, the consolidated Cash Flow Statement, the Reconciliation of Net Cash Flow to Movement In Net Debt and the related notes 1 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 28 March 2015 and of the Group's loss for the 52 week period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AMBASSADOR THEATRE GROUP
HOLDINGS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if in our opinion

- adequate accounting records have not been kept by the parent Company or returns adequate for our audit have not been received from branches not visited by us, or
- the parent Company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

M. R. Lee-Amies

MR Lee-Amies FCA (Senior Statutory Auditor)

for and on behalf of

Deloitte LLP

Chartered Accountants and Statutory Auditor

London

United Kingdom

Date *21 July 2015*

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

		52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
	Notes		
Turnover (including share of revenues from co-production arrangements)	2	184,549	70,998
Revenue	1	158,675	57,454
Cost of sales		(29,421)	(7,357)
Gross profit		129,254	50,097
Administrative expenses		(120,199)	(40,708)
Other operating charges		-	(321)
Operating profit	3	9,055	9,068
Interest receivable and similar income		55	24
Interest payable and similar charges	7	(39,921)	(12,899)
Loss on ordinary activities before taxation		(30,811)	(3,807)
Tax on loss on ordinary activities	8	(1,065)	(1,859)
Loss for the financial period	20	(31,876)	(5,666)

All amounts relate to continuing operations

The notes on pages 18 to 37 form part of these financial statements

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Loss for the financial period	(31,876)	(5,666)
Foreign exchange translation differences on foreign currency investments in subsidiaries	3,640	(609)
Total recognised gains and losses relating to the period	<u>(28,236)</u>	<u>(6,275)</u>

The notes on pages 18 to 37 form part of these financial statements

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED
REGISTERED NUMBER 08769976


CONSOLIDATED BALANCE SHEET
AS AT 28 MARCH 2015

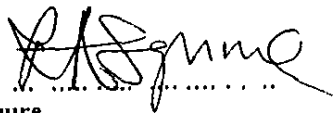
	Notes	£000	28 March 2015 £000	£000	29 March 2014 £000
Fixed assets					
Intangible assets - Goodwill	9		232,487		244,932
Tangible assets	10		276,446		276,373
			<u>508,933</u>		<u>521,305</u>
Current assets					
Stocks	12	646		649	
Debtors	13	19,659		14,950	
Investments	14	1,856		554	
Cash at bank and in hand		28,985		23,626	
		<u>51,146</u>		<u>39,779</u>	
Creditors amounts falling due within one year	15	(86,687)		(94,074)	
Net current liabilities			<u>(35,541)</u>		<u>(54,295)</u>
Total assets less current liabilities			<u>473,392</u>		<u>467,010</u>
Creditors amounts falling due after more than one year	16		(503,858)		(469,188)
Provisions for liabilities					
Deferred tax	17	(1,730)		(1,803)	
Other provisions	18	(606)		(585)	
			<u>(2,336)</u>		<u>(2,388)</u>
Net liabilities			<u>(32,802)</u>		<u>(4,566)</u>
Capital and reserves					
Called up share capital	19		1		1
Share premium account	20		1,708		1,708
Foreign exchange reserve surplus / (deficit)	20		3,031		(609)
Profit and loss account (deficit) / surplus	20		(37,542)		(5,666)
Shareholders' deficit	21		<u>(32,802)</u>		<u>(4,566)</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET (continued)
AS AT 28 MARCH 2015

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
20 July 2015


.....
H J Enright
Director


.....
R A Squire
Director


The notes on pages 18 to 37 form part of these financial statements


THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED
REGISTERED NUMBER 08769976

COMPANY BALANCE SHEET
AS AT 28 MARCH 2015

			28 March 2015		29 March 2014
	Notes	£000	£000	£000	£000
Fixed assets					
Investments	11		1,710		1,710
Current assets					
Debtors	13	-		393	
Creditors amounts falling due within one year	15	(1)		(394)	
Net current liabilities			(1)		(1)
Net assets			<u>1,709</u>		<u>1,709</u>
Capital and reserves					
Called up share capital	19		1		1
Share premium account	20		1,708		1,708
Shareholders' funds	21		<u>1,709</u>		<u>1,709</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
20 July 2015


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H J Enright
Director


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Director

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THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

		52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
	Notes		
Net cash flow from operating activities	22	36,259	19,390
Returns on investments and servicing of finance	23	(12,936)	(2 941)
Taxation	23	(2,162)	(1 170)
Capital expenditure and financial investment	23	(10,359)	(2 077)
Acquisitions and disposals	23	(3,027)	(283,049)
Cash inflow/(outflow) before financing		7,775	(269 847)
Financing	23	(1,521)	287,363
Increase in cash in the period		6,254	17 516

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Increase in cash in the period	6,254	17,516
New debt and lease financing	(2,000)	(303,990)
Change in net debt resulting from cash flows	4,254	(286 474)
Other non-cash changes	(34,137)	-
Movement in net debt in the period	(29,883)	(286,474)
Net debt at 30 March 2014	(454,077)	(167,603)
Net debt at 28 March 2015	(483,960)	(454 077)

The notes on pages 18 to 37 form part of these financial statements

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015

1 Accounting Policies

1.1 Basis of preparation of financial statements

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

The financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) which have been applied consistently (except as otherwise stated) in the current period

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account which was £nil for the period. The company has taken the exemption afforded in FRS 1 and has not presented an individual company cash flow statement on the grounds that its cash flows are fully consolidated in the cash flow presented by the Group

1.2 Operating results

The operating results include transactions up to and including the Saturday on or preceding 31 March of each year

1.3 Going concern

The financial statements have been prepared on the going concern basis, details of which can be found in the Directors' report, on page 7

1.4 Basis of consolidation

The financial statements consolidate the accounts of The Ambassador Theatre Group Holdings Limited and all of its subsidiary undertakings ('subsidiaries')

1.5 Turnover and revenue

Revenue primarily represents the amounts due to the Group 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

Revenue includes income derived from booking fees and commissions charged on tickets sold by the Group for its theatres and other UK venues, these fees and commissions are recognised at the time of sale

Revenue in relation to co-production arrangements is recognised in the period to which the services relate, except for production surpluses which are recognised when they can be reliably estimated

In addition to revenue as defined above, turnover includes the following in relation to co-production arrangements

- where a controlling or significant interest is held, turnover includes the Group's share of gross turnover for the production,
- where no controlling interest is held turnover represents net income from productions

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

1 Accounting Policies (continued)

1.11 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight-line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.12 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks

1.13 Pensions

The Group operates defined contribution pension schemes and the pension charge represents the amounts payable by the Group to the fund in respect of the period

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account

Results of overseas subsidiaries are translated at the average rate for the year. Assets and liabilities of overseas subsidiaries are translated at the rate ruling at the balance sheet date. Exchange differences arising are dealt with through the translation reserve

1.15 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and Loss Account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and Loss Account as the related expenditure is incurred

1.16 Current taxation

Current taxation, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

1. Accounting Policies (continued)

1 17 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

2. Turnover

	52 week period ended 28 March 2015 £000	Period from 11 November 2013 to 29 March 2014 £000
UK	169,152	63,463
Other	15,397	7,535
Total	<u>184,549</u>	<u>70,998</u>

3 Operating profit

The operating profit is stated after charging

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Amortisation - intangible fixed assets	12,445	3,967
Depreciation of tangible fixed assets		
- owned by the group	12,759	4,446
Operating lease rentals		
- plant and machinery	16	5
- other operating leases	1,929	1,610
Foreign exchange loss	-	322
	<u> </u>	<u> </u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

4 Auditor's remuneration

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Fees payable to the Company's auditor for the audit of the Group's annual accounts	<u>156</u>	<u>143</u>
Fees payable to the Company's auditor and its associates for other services to the Group in respect of		
Audit-related assurance services	8	13
Taxation compliance services	55	80
Other taxation advisory services	105	285
Other assurance services	-	8
Total non-audit services	<u>168</u>	<u>386</u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Wages and salaries	61,391	19,533
Social security costs	4,222	1,581
Other pension costs	1,119	350
	<u>66,732</u>	<u>21,464</u>

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

	52 week period ended 28 March 2015 No	For the period from 11 November 2013 to 29 March 2014 No
Executive Directors	4	9
Venue Staff	2,706	2,228
Other	663	615
	<u>3,373</u>	<u>2,852</u>

The Group has no employee share scheme or share-based payment arrangement. However, during the period certain employees of the Group acquired an interest in the equity of the holding company via an employee benefit trust.

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

6 Directors' remuneration

	28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Directors' remuneration	1,535	449
Company pension contribution	120	62
Total	<u>1,655</u>	<u>511</u>

During the period retirement benefits were accruing to 3 (2014: 4) directors in respect of defined contribution schemes

The highest paid director received remuneration of £429,640 (2014: £123,367). The value of the Company's contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £40,000 (2014: £17,937).

7. Interest payable

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
On bank loans and overdrafts	10,629	3,548
On finance leases and hire purchase contracts	4,576	1,466
On loans from parent undertakings	24,716	7,885
	<u>39,921</u>	<u>12,899</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

8 Taxation

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Analysis of tax charge in the period		
Current tax (see note below)		
UK corporation tax charge on loss for the period	1,081	1,838
Adjustments in respect of prior periods	57	-
Total current tax	<u>1,138</u>	<u>1,838</u>
Deferred tax (see note 17)		
Origination and reversal of timing differences	(73)	21
Tax on loss on ordinary activities	<u>1,065</u>	<u>1,859</u>

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2014 higher than) the standard rate of corporation tax in the UK of 21% (2014 23%). The differences are explained below

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Loss on ordinary activities before tax	<u>(30,811)</u>	<u>(3,807)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 23%)	(6,470)	(876)
Effects of		
Expenses not deductible for tax purposes	6,908	2,630
Depreciation add back	1,502	712
Capital allowances	(706)	(341)
Adjustments to tax charge in respect of prior periods	57	-
Tax losses utilised	(46)	(56)
Foreign tax paid	-	52
Other differences leading to an increase in the tax charge	(28)	(258)
Deferred revenue expenditure	(79)	(25)
Current tax charge for the period (see note above)	<u>1,138</u>	<u>1,838</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

9 Intangible fixed assets

	Goodwill £000
Group	
Cost	
At 30 March 2014 and 28 March 2015	248,899
Amortisation	
At 30 March 2014	3,967
Charge for the 52 week period	12,445
At 28 March 2015	16,412
Net book value	
At 28 March 2015	232,487
At 29 March 2014	244,932

The intangible assets relate to goodwill which arose on acquisition of the subsidiary companies

There are no intangible fixed assets in the company

10 Tangible fixed assets

	Freehold property £000	Long-Term Leasehold Property £000	Short-Term Leasehold Property £000	Fixtures & fittings £000
Group				
Cost				
At 30 March 2014	150,794	97,457	8,216	24,352
Additions	1,254	134	2	7,616
Disposals	-	-	-	(32)
Transfer between classes	1,601	-	(1,601)	-
Foreign exchange movement	-	4,072	-	34
At 28 March 2015	153,649	101,663	6,617	31,970
Depreciation				
At 30 March 2014	1,042	904	490	2,010
Charge for the 52 week period	3,219	2,811	1,407	5,322
Disposals	-	-	-	(28)
Transfer between classes	729	-	(729)	-
Foreign exchange movement	-	201	-	75
At 28 March 2015	4,990	3,916	1,168	7,379
Net book value				
At 28 March 2015	148,659	97,747	5,449	24,591
At 29 March 2014	149,752	96,553	7,726	22,342

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

10 Tangible fixed assets (continued)

Group	Total £000
Cost	
At 30 March 2014	280,819
Additions	9,006
Disposals	(32)
Transfer between classes	-
Foreign exchange movement	4,106
At 28 March 2015	<u>293,899</u>
Depreciation	
At 30 March 2014	4,446
Charge for the 52 week period	12,759
Disposals	(28)
Transfer between classes	-
Foreign exchange movement	276
At 28 March 2015	<u>17,453</u>
Net book value	
At 28 March 2015	<u>276,446</u>
At 29 March 2014	<u>276,373</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

Group	28 March 2015 £000	29 March 2014 £000
Land and buildings	205,192	205,468
Furniture, fittings and equipment	10,746	9,956
	<u>215,938</u>	<u>215,424</u>

There are no tangible fixed assets in the company

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

11 Fixed asset investments

The following were subsidiary undertakings of the Company as at 28 March 2015

Subsidiary undertaking	Country of registration or incorporation	Registered number	Shares held Class	Shares held	Principal activity
ATEG Limited*	England and Wales	08769925	Ordinary	100%	Holding company
ATG Entertainment Limited*	England and Wales	09467208	Ordinary	100%	Holding company
ATG Finance Limited	England and Wales	08770108	Ordinary	100%	Holding company
ATG London Limited*	England and Wales	03902727	Ordinary	100%	Theatre operator and ticketing company
ATG Management Limited*	England and Wales	04215171	Ordinary	100%	Dormant
ATG Midco Limited*	England and Wales	08769903	Ordinary	100%	Holding company
ATG Productions Limited*	England and Wales	09327475	Ordinary	100%	Production company
ATG WOTV Limited*	England and Wales	09305422	Ordinary	100%	Production company
Aylesbury Waterside Theatre Limited*	England and Wales	03944591	Ordinary	100%	Theatre operator
Churchill Theatre Bromley Limited*	England and Wales	03944535	Ordinary	100%	Theatre operator
First Family Entertainment LLP*	England and Wales	OC310596	Ordinary	100%	Production company
G S Lashmar Limited*	England and Wales	00418300	Ordinary	90%	Dormant
Glasgow Theatres Limited*	England and Wales	04423391	Ordinary	100%	Theatre operator
Highland Fling Japan Limited*	England and Wales	05302902	Ordinary	100%	Dormant
London Theatre Club Limited*	England and Wales	04069735	Ordinary	100%	Dormant
London Turnstyle Limited*	England and Wales	02680873	Ordinary	100%	Dormant
Milton Keynes Theatre Limited*	England and Wales	03490333	Ordinary	100%	Theatre operator
New Wimbledon Theatre Limited*	England and Wales	04787118	Ordinary	100%	Theatre operator
Playhouse Theatre Limited*	England and Wales	04510126	Ordinary	100%	Theatre operator
Richmond Theatre Limited*	England and Wales	03716049	Ordinary	100%	Theatre operator
Savoy Theatre Group Limited*	England and Wales	05527723	Ordinary	100%	Holding company
Savoy Theatre Holdings Limited*	England and Wales	03669280	Ordinary	100%	Dormant
Savoy Theatre Limited*	England and Wales	00053830	Ordinary	100%	Theatre operator
Screenstage Limited*	England and Wales	04166281	Ordinary	100%	Dormant
Screenstage Productions Limited*	England and Wales	04897979	Ordinary	100%	Dormant
Smart Plays Limited*	England and Wales	04275951	Ordinary	100%	Dormant
Sonia Friedman Productions Limited*	England and Wales	04302464	Ordinary	100%	Production company
SFP Shows Limited*	England and Wales	09330152	Ordinary	100%	Production company
SFP Sunny Limited*	England and Wales	09214686	Ordinary	100%	Production company
Stoke-on-Trent Theatres Limited*	England and Wales	03507468	Ordinary	100%	Theatre operator
The Ambassador Entertainment Group Limited*	England and Wales	07046007	Ordinary	100%	Holding company
The Ambassador Theatre Group Limited*	England and Wales	02671052	Ordinary	100%	Holding and production company
The Ambassador Theatre Group (Venues) Limited*	England and Wales	01444368	Ordinary	100%	Theatre operator
The Ambassador Theatre Group Overseas Holdings Limited*	England and Wales	08458696	Ordinary	100%	Holding company
The Duke of York's Theatre Limited*	England and Wales	00592528	Ordinary	100%	Theatre operator
The Ticket Machine Group Limited*	England and Wales	02638971	Ordinary	100%	Ticketing agency
Theatre Royal Brighton Limited*	England and Wales	03735154	Ordinary	100%	Theatre operator

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

11 Fixed asset investments (continued)

Woking Turnstyle Limited*	England and Wales	02699637	Ordinary	100%	Theatre operator
Ambassador Theatre Group - NY LLC	USA	5325449	Ordinary	100%	Production company
Ambassador Theatre Group LLC	USA	5639952	Ordinary	100%	Theatre operator
Leisure Connect LLC	USA	4827123	Ordinary	100%	Ticketing agency
Leisure Connect USA LLC	USA	4826665	Ordinary	100%	Holding company
Lynic Theatre LLC	USA	5318164	Ordinary	100%	Theatre operator
SFP-NY LLC	USA	5351646	Ordinary	100%	Production company
The Ambassador Theatre Group US Holdings Inc	USA	5318162	Ordinary	100%	Holding company
Ambassador Theatre Group NY Inc	USA		Ordinary	100%	Production company
The Ambassador Theatre Group Asia Pacific Pty Limited	Australia	ACN159379 290	Ordinary	100%	Production company
BB Entertainment Holding GmbH	Germany	HRB 101306	Ordinary	100%	Holding company

* This Company will take advantage of the S479a exemption from audit

Company	Investments in subsidiary companies £000
Cost or valuation	
At 30 March 2014 and 28 March 2015	<u>1,710</u>
Net book value	
At 28 March 2015	<u>1,710</u>
At 29 March 2014	<u>1,710</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

12 Stocks

	<u>Group</u>		<u>Company</u>	
	<u>28 March</u>	<u>29 March</u>	<u>28 March</u>	<u>29 March</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Finished goods and goods for resale	<u>646</u>	<u>649</u>	<u>-</u>	<u>-</u>

There is no material difference between book and replacement values

13 Debtors

	<u>Group</u>		<u>Company</u>	
	<u>28 March</u>	<u>29 March</u>	<u>28 March</u>	<u>29 March</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Trade debtors	6,054	7,022	-	-
Amounts owed by parent undertakings	-	393	-	393
Other debtors	6,206	4,502	-	-
Prepayments and accrued income	7,399	3,033	-	-
	<u>19,659</u>	<u>14,950</u>	<u>-</u>	<u>393</u>

14 Current asset investments

	<u>Group</u>		<u>Company</u>	
	<u>28 March</u>	<u>29 March</u>	<u>28 March</u>	<u>29 March</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Investment in shows	<u>1,856</u>	<u>554</u>	<u>-</u>	<u>-</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

15 Creditors
Amounts falling due within one year

	Group		Company	
	28 March	29 March	28 March	29 March
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans and overdrafts	10,215	9,860	-	-
Trade creditors	8,680	9,169	-	-
Amounts owed to parent undertakings	-	11,115	-	393
Other taxation and social security	2,685	4,735	-	-
Other creditors	47,621	42,680	-	-
Accruals and deferred income	17,486	16,515	1	1
	86,687	94,074	1	394

The bank loans and overdrafts are secured by a charge over the assets of ATG Finance Limited a subsidiary of the Company and the majority of its subsidiary undertakings

16 Creditors
Amounts falling due after more than one year

	Group		Company	
	28 March	29 March	28 March	29 March
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans	145,054	148,596	-	-
Other loans	267,020	234,813	-	-
Net obligations under finance leases and hire purchase contracts	90,655	84,434	-	-
Government grants received and not utilised	1,129	1,345	-	-
	503,858	469,188	-	-

Included within the above are amounts falling due as follows

	Group		Company	
	28 March	29 March	28 March	29 March
	2015	2014	2015	2014
	£000	£000	£000	£000
Between two and five years				
Bank loans	46,070	34,964	-	-
Over five years				
Bank loans	98,984	113,632	-	-
Other loans	267,020	234,813	-	-

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

16 Creditors
Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows

	<u>Group</u>		<u>Company</u>	
	<u>28 March</u>	<u>29 March</u>	<u>28 March</u>	<u>29 March</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Repayable by instalments	-	12,250	-	-
Repayable other than by instalments	453,754	417,891	-	-
	<u>453,754</u>	<u>430,141</u>	<u>-</u>	<u>-</u>

The loans bear interest at a rate which fluctuates in line with LIBOR

The Group uses interest rate swaps to economically hedge exposure to changes in interest rates on £103.3m of the Group's senior debt by fixing the variable rate of interest payable at an average of 1.239%. As at the period end the fair value of the interest rate swaps which were taken out on 14 February 2014 was £1,036,000 (2014: £129,066). The interest rate swaps mature on 14 December 2016.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	<u>Group</u>		<u>Company</u>	
	<u>28 March</u>	<u>29 March</u>	<u>28 March</u>	<u>29 March</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Between two and five years	2,906	2,738	-	-
After five years	87,749	81,696	-	-
	<u>90,655</u>	<u>84,434</u>	<u>-</u>	<u>-</u>

17 Deferred taxation liability

	<u>Group</u>		<u>Company</u>	
	<u>28 March</u>	<u>29 March</u>	<u>28 March</u>	<u>29 March</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
At beginning of period	1,803	-	-	-
(Released during)/charge for the period (P&L)	(73)	1,782	-	-
Other movement (P&L)	-	21	-	-
At end of period	<u>1,730</u>	<u>1,803</u>	<u>-</u>	<u>-</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

17 Deferred taxation liability (continued)

The provision for deferred taxation is made up as follows

	Group		Company	
	28 March 2015 £000	29 March 2014 £000	28 March 2015 £000	29 March 2014 £000
Capital allowances in excess of depreciation	1,840	1,828	-	-
Unutilised tax losses	(64)	(61)	-	-
Accrued pensions	-	(40)	-	-
Other timing differences	(46)	76	-	-
	<u>1,730</u>	<u>1,803</u>	<u>-</u>	<u>-</u>

Capital allowances exceed depreciation due to the Group's ongoing policy of capital improvements to its theatres and infrastructure

18 Provisions

Group	Dilapidations £000
At 30 March 2014	585
Additions	21
At 28 March 2015	<u>606</u>

Dilapidations

The Group continues to provide for the expected level of dilapidations for certain theatres. The adequacy of the provisions are periodically reviewed to ensure that they will meet the final obligations. There has not been any dilapidation expenditure during the year. Two leases have expired and the remaining one will expire in 2016.

The Company has no provisions

19 Called up share capital

	28 March 2015 £000	29 March 2014 £000
Allotted, called up and fully paid		
1,301 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 28 MARCH 2015**

20 Statement of movements on reserves

	Share premium account £000	Foreign exchange reserve £000	Profit and loss account deficit £000
Group			
At 30 March 2014	1,708	(609)	(5,666)
Loss for the 52 week period	-	-	(31,876)
Movement on foreign exchange	-	3,640	-
	<u>1,708</u>	<u>3,031</u>	<u>(37,542)</u>
At 28 March 2015			
			<u>Share premium account £000</u>
Company			
At 30 March 2014 and 28 March 2015			<u>1,708</u>

21 Reconciliation of movement in shareholders' deficit

	28 March 2015 £000	29 March 2014 £000
Group		
Opening shareholders' deficit	(4,566)	-
Loss for the period	(31,876)	(5,666)
Shares issued during the period	-	1
Share premium on shares issued (net of expenses)	-	1,708
Translation gain / (loss)	3,640	(609)
	<u>(32,802)</u>	<u>(4,566)</u>
Closing shareholders' deficit		
	28 March 2015 £000	29 March 2014 £000
Company		
Opening shareholders' funds	1,709	-
Shares issued during the period	-	1
Share premium on shares issued (net of expenses)	-	1,708
	<u>1,709</u>	<u>1,709</u>
Closing shareholders' funds		

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account

The profit for the period dealt with in the accounts of the Company was £nil (2014 £nil)

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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22 Net cash flow from operating activities

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Operating profit	9,055	9 068
Amortisation of intangible fixed assets	12,445	3,967
Depreciation of tangible fixed assets	12,759	4 446
Decrease in stocks	3	34
(Increase)/decrease in debtors	(1,014)	3 336
Increase/(decrease) in creditors	3,124	(2,111)
Increase in provisions	21	15
Increase / (decrease) in show investment provision	55	(484)
Translation (gain) / loss	(189)	1 119
Net cash inflow from operating activities	36,259	19,390

23 Analysis of cash flows for headings netted in cash flow statement

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Returns on investments and servicing of finance		
Interest received	55	24
Interest paid	(9,139)	(2,965)
Interest element of finance lease	(3,852)	-
Net cash outflow from returns on investments and servicing of finance	(12,936)	(2 941)

	52 week period ended 28 March 2015 £000	For the period from 11 November 2013 to 29 March 2014 £000
Taxation		
UK Corporation tax paid	(2,162)	(1,170)

THE AMBASSADOR THEATRE GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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29 Related party transactions

The Company has taken advantage of the exemption in paragraph 3 of FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a Group

Transactions with participating interests are not disclosed as they are immaterial in terms of both the Company and the relevant participating interests

30 Post balance sheet events

In May 2015, the Group acquired a majority shareholding in BB Group GmbH, funded by additional debt from the senior debt facility. BB Group GmbH is a producer and promoter of premium live entertainment in Europe, with a particular strength in touring musicals and dance productions throughout Germany, Austria and Switzerland