

Capital Theatres Trading Limited
Annual report
For the year ended 31 March 2019

Registered in Scotland No SC133567

COMPANIES HOUSE
EDINBURGH

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Capital Theatres Trading Limited

Annual report

for the year ended 31 March 2019

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Capital Theatres Trading Limited

Directors and Advisors

Directors

Professor Dame Joan K Stringer DBE FRSE
Duncan Hendry

Company Secretary

Iain Ross

Registered office

13/29 Nicolson Street
Edinburgh
EH8 9FT

Auditor

Chiene + Tait LLP
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Solicitors

Shepherd & Wedderburn
Level 2
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2ET

Bankers

Bank of Scotland
The Mound
Edinburgh
EH1 1YZ

Capital Theatres Trading Limited

Directors' report for the year ended 31 March 2019

The Directors have pleasure in submitting their annual report and financial statements for the year ended 31 March 2019.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Principal Activities and Review of the Business

The company provides bar, catering, programme and ice cream sales and other supporting services in the Festival Theatre, King's Theatre and The Studio in Edinburgh. The operating surplus is donated to Capital Theatres utilising Gift Aid.

The profit and loss account for the year is set out on page 6. Footfall in our venues was the highest ever recorded which lead to our bars and café being busy throughout the year, and the Directors consider the operating surplus of £375,686 (2018: £319,575) to be very satisfactory.

Directors

Professor Dame Joan K Stringer DBE FRSE and Duncan Hendry served as directors throughout the year.

Statement as to Disclosure of Information to the Auditor

The Directors, who were in office on the date of approval of these financial statements, have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Statement of Directors' responsibilities

The Directors are responsible for preparing 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 profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Capital Theatres Trading Limited

Directors' report for the year ended 31 March 2019 (continued)

Statement of Directors' responsibilities (continued)

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.

On Behalf of the Board

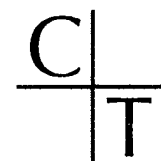
A handwritten signature in black ink, appearing to read 'Joan K Stringer', written in a cursive style.

Professor Dame Joan K Stringer DBE FRSE
Director

28th May 2019

Capital Theatres Trading Limited

Independent auditor's report to the members of Capital Theatres Trading Limited



Opinion

We have audited the financial statements of Capital Theatres Trading Limited for the year ended 31 March 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

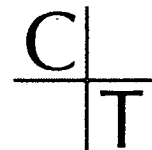
Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Capital Theatres Trading Limited

Independent auditor's report to the members of Capital Theatres Trading Limited



Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Capital Theatres Trading Limited

Independent auditor's report to the members of Capital Theatres Trading Limited



Use of our report

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.

Jeremy Chittleburgh BSc CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

31 May 2019

Capital Theatres Trading Limited

Statement of comprehensive income for the year ended 31 March 2019

	Notes	2019 £	2018 £
Turnover	2	1,717,849	1,406,136
Cost of sales		(605,984)	(473,286)
Gross profit		1,111,865	932,850
Administrative expenses		(736,179)	(613,275)
Operating profit		375,686	319,575
Other income		-	-
Profit on ordinary activities before taxation	3	375,686	319,575
Taxation	5	-	-
Profit for the financial year and total comprehensive income		375,686	319,575

All activities were continuing activities.

The company has no recognised gains and losses other than those included in the results above.

There is no difference between the results on ordinary activities before taxation and the results for the year stated above and their historical cost equivalents.

Capital Theatres Trading Limited

Statement of financial position as at 31 March 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	6	9,842	78,475
Current assets			
Stock	8	29,973	27,811
Debtors	9	7,859	13,730
Cash at bank and in hand		52,271	56,360
		90,103	97,901
Creditors: amounts falling due within one year	10	(93,757)	(170,188)
Net current liabilities		(3,654)	(72,287)
Net assets		6,188	6,188
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		6,186	6,186
Equity shareholder's funds		6,188	6,188

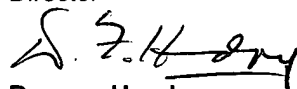
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland.

The financial statements on pages 6 to 14 were approved by the Board of Directors and authorised for issue on 28th May 2019 and were signed on its behalf by:-



Professor Dame Joan K Stringer DBE FRSE

Director



Duncan Hendry

Director

Registered in Scotland No SC133567

Capital Theatres Trading Limited

Statement of changes in equity as at 31 March 2019

	Called up Share capital £	Profit and Loss account £	Total £
At 1 April 2017	2	6,186	6,188
Profit for the year	-	319,575	319,575
Other comprehensive income for the year:			
Distributions – gift aid	-	(319,575)	(319,575)
Total comprehensive income for the year	-	-	-
At 31 March 2018	2	6,186	6,188
Profit for the year	-	375,686	375,686
Other comprehensive income for the year:			
Distributions – gift aid	-	(375,686)	(375,686)
Total comprehensive income for the year	-	-	-
At 31 March 2019	2	6,186	6,188

Capital Theatres Trading Limited

Notes to the financial statements

for the year ended 31 March 2019

1 Company information

Capital Theatres Trading Limited is incorporated and domiciled in Scotland with registered company number SC133567. The registered office is 13/29 Nicolson Street, Edinburgh EH8 9FT. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

2 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies which have been consistently applied is set out below.

Basis of accounting

These financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards, including Financial Reporting Standard 102, section 1a – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102").

Going concern

The directors consider the company to be a going concern and the financial statements have been prepared on that basis

Further details of the going concern assumption and status of the parent company can be found in the consolidated financial statements of Capital Theatres for the year ended 31 March 2019.

The financial statements of the company have therefore been drawn up on a going concern basis which assumes that, at the date of approval of the financial statements, the parent company has sufficient reserves to continue to operate for the foreseeable future and therefore provide ongoing trading opportunities and support to the company.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents sales of food, drink, merchandise and function fees, net of value added tax, and is recognised in the period in which the service is made. It is entirely derived in the UK.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for carrying amounts of tangible assets.

Capital Theatres Trading Limited

Notes to the financial statements

for the year ended 31 March 2019

Significant judgements and estimates (continued)

ii) **Impairment of debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 9 for carrying amount of debtors.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental expenses of acquisition.

Fixtures and fittings are depreciated using the straight line method at a rate of 20%.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis.

Pensions

The company makes pension contributions to employees' personal pension plans which are charged to the profit and loss account when paid.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, which include trade and other receivables and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Basic financial liabilities, which include trade and other payables, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised through profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Capital Theatres Trading Limited

Notes to the financial statements

for the year ended 31 March 2019

3 Profit on ordinary activities before taxation

Profit is stated after charging:

	2019	2018
	£	£
Auditor's remuneration- as auditor	1,675	1,675
Depreciation of tangible fixed assets (see note 6)	68,633	28,973

4 Directors' emoluments

The Directors received no emoluments during the year (2018: £nil).

5 Taxation

There is no taxation liability on the profit for the year due to the Gift Aid payment of the taxable profit to the company's holding company, which has charitable status.

The tax assessed for the year is lower than the corporation tax rate in the UK (19%) (2018: 19%). The differences are explained below:

	2019	2018
	£	£
Profit on ordinary activities for the financial year	375,686	319,575
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	71,380	60,719
Effects of:		
Gift Aid payment to holding company	(71,380)	(60,719)
Current tax charge for the period	-	-

Capital Theatres Trading Limited
Notes to the financial statements
for the year ended 31 March 2019

6 Tangible fixed assets

	Fixtures & Fittings £
Cost	
At 1 April 2018	158,040
Additions	-
Disposals	(10,794)
At 31 March 2019	147,246
Depreciation	
At 1 April 2018	79,565
Charge for year	68,633
Disposals	(10,794)
At 31 March 2019	137,404
Net book value	
At 31 March 2019	9,842
At 31 March 2018	78,475

7 Employees

The average number of employees during the year was 37 (2018: 32).

8 Stock

	2019 £	2018 £
Café	5,675	5,131
Bars, catering and kiosk	21,619	20,547
Ice Cream and sweets	2,679	2,133
	29,973	27,811

Capital Theatres Trading Limited
Notes to the financial statements
for the year ended 31 March 2019

9 Debtors: amounts falling due within one year

	2019	2018
	£	£
Trade debtors	4,696	11,422
Prepayments	3,163	2,308
Accrued Income	-	-
	7,859	13,730

10 Creditors: amounts falling due within one year

	2019	2018
	£	£
Amount due to holding company	65,217	150,493
Trade creditors	14,233	15,642
Accruals and deferred income	14,307	4,053
	93,757	170,188

11 Share capital

	2019	2018
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called-up and fully paid		
2 Ordinary shares of £1 each	2	2

Called up share capital represents the nominal value of shares that have been issued.

12 Ultimate Holding Company

Capital Theatres is recognised as the ultimate holding company and controlling company. Under the terms of Section 33 of Financial Reporting Standard 102, Capital Theatres Trading Limited is exempt from disclosing related party transactions and balances with Capital Theatres. Copies of the consolidated financial statements of Capital Theatres are available from the Company Secretary.

For use by the Directors

This page does not form part of the Financial Statements

Capital Theatres Trading Limited
Detailed income and expenditure account
For the year ended 31 March 2019

	2019 £	2018 £
Turnover		
Licensed bar	821,756	614,693
Café	357,308	290,694
Functions	40,494	40,439
Front of House	498,291	460,310
	1,717,849	1,406,136
Cost of sales		
Licensed bar	315,826	220,897
Café	110,327	96,296
Functions	737	3,762
Front of House	128,305	114,626
Administration Costs	50,789	37,705
	605,984	473,286
Gross profit	1,111,865	932,850
 Gift Aid Payment	 375,686	 319,575
	736,179	613,275
Operating expenses		
Wages and salaries	644,271	561,027
Depreciation	68,633	28,973
Gas & Electric	21,600	21,600
Audit & Accountancy	1,675	1,675
	736,179	613,275
 Operating profit (loss)	 -	 -
Bank Interest	-	-
Profit for the Year	-	-