

Registered number: 6836599

**John Gore UK Theatre Company Limited
(formerly KBE UK Theatre Company Limited)**

Director's Report and Financial Statements

For the year ended 30 June 2017



John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

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For the year ended 30 June 2017**

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John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

Company Information

Director	John E Gore
Registered number	6836599
Registered office	10th Floor, The Met Building 22 Percy Street London W1T 2BU
Independent auditors	Ernst & Young LLP Bedford House 16 Bedford Street Belfast BT2 7DT
Bankers	JP Morgan Chase Bank NA 125 London Wall London EC2Y 5AJ
Solicitors	Wiggin LLP 95 The Promenade Cheltenham Gloucestershire GL50 1WG

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Director's report
For the year ended 30 June 2017**

The director presents his report and the audited financial statements for the year ended 30 June 2017.

Principal activity

The principal activity of the company is the production of touring and other theatrical performances. During the period from incorporation, the company has been incurring expenses arising from the staging of theatrical productions in the United Kingdom. The profit for the year ended 30 June 2017 amounted to £125,117 (2016 loss of £515,392).

Director

The director who served during the year and up to the date of approval of the financial statements was as follows:

John E Gore

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he 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's auditors are aware of that information.

Future Developments

There are no changes planned to the principal activity of the company.

Going Concern

The parent undertaking has agreed to provide sufficient funds to enable the company to meet all its liabilities as they fall due. It has also undertaken not to demand repayment of its existing loan, which at the year end amounted to £2,591,250, (2016 - £2,144,496) until such time as this can be done without prejudice to the ability of the company to pay its liabilities. On the basis of the Consolidated Financial Statements of the parent, there is a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Post Balance Sheet Event

The company, formerly KBE UK Theatre Company Limited, has changed its name to John Gore UK Theatre Company Limited on 19 October 2017.

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Director's report
For the year ended 30 June 2017**

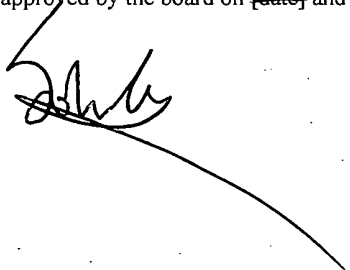
Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The director has also taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 not to provide a strategic report.

This report was approved by the board on ^{19/3/18}~~[date]~~ and signed on its behalf.


John E Gore
Director

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Director's responsibilities statement
For the year ended 30 June 2017**

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Independent auditor's report to the shareholders of John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

Opinion

We have audited the financial statements of John Gore UK Theatre Company Limited for the year ended 30 June 2017 which comprise of the Profit and Loss Account, the Balance Sheet and the Statement of Changes in Equity and the related notes 1 to 11, 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 company's affairs as at 30 June 2017 and of its profit for the year 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.

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 below. 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.

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.

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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 Director's Report, other than the financial statements and our auditor's report thereon. The director is 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 this 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

Independent auditor's report to the shareholders of John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report have 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 director's 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

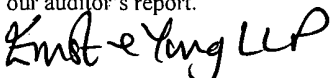
As explained more fully in the Director's responsibilities statement as set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to 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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Ruth Logan (Senior Statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
Date: 22nd March 2018

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Profit and loss account
for the year ended 30 June 2017**

	2017 £	2016 £
Turnover	102,838	68,831
Cost of sales	<u>82,980</u>	<u>(526,600)</u>
Gross profit/(loss)	<u>185,818</u>	<u>(457,769)</u>
Administrative expenses	<u>(60,701)</u>	<u>(57,623)</u>
Operating profit/(loss)	<u>125,117</u>	<u>(515,392)</u>
Profit/(loss) on ordinary activities before taxation	125,117	(515,392)
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>-</u>
Profit/(loss) for the financial year	<u>125,117</u>	<u>(515,392)</u>

The notes on pages 10 to 16 form part of these financial statements.

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

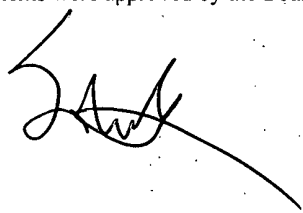
**Balance sheet
as at 30 June 2017**

	Note	£	2017 £	£	2016 £
Fixed assets					
Intangible assets	4		260,000		-
Current assets					
Debtors	5	288		228	
Cash at bank		<u>401,133</u>		<u>84,073</u>	
		401,421		84,301	
Creditors: amounts falling due within one year	6	<u>(2,616,917)</u>		<u>(2,164,914)</u>	
Net current liabilities			<u>(2,215,496)</u>		<u>(2,080,613)</u>
Net liabilities			<u>(1,955,496)</u>		<u>(2,080,613)</u>
Capital and reserves					
Called up share capital	7		1		1
Profit and loss account			<u>(1,955,497)</u>		<u>(2,080,614)</u>
Shareholder deficit			<u>(1,955,496)</u>		<u>(2,080,613)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board on 19/3/18 and were signed on its behalf by:

John E Gore
Director



John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Statement of Changes in Equity
for the year ended 30 June 2017**

	<i>Share Capital</i>	<i>Profit and loss account</i>	<i>Total capital and reserves</i>
	£	£	£
Balance as at 30 June 2015	1	(1,565,222)	(1,565,221)
Total comprehensive income for the financial year	-	(515,392)	(515,392)
Balance as at 30 June 2016	1	(2,080,614)	(2,080,613)
Total comprehensive income for the financial year	-	125,117	125,117
Balances as at 30 June 2017	1	(1,955,497)	(1,955,496)

Share capital represents the nominal value of shares that have been issued. Profit and loss account includes all current year and prior period retained profits and losses.

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Notes to the financial statements
for the year ended 30 June 2017**

1. Accounting policies**1.1 Statutory Information**

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited) is a private company, limited by shares, registered and domiciled in England and Wales.

1.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company transitioned from previously extant UK GAAP, specifically the Financial Reporting Standard for Smaller Entities (FRSSE) 2015, to FRS 102 as at 1 July 2016. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

The Company's functional and presentational currency is the pound sterling. Amounts are rounded to the nearest pound.

1.3 Fundamental accounting concept – Going concern

The company is dependent on continuing finance being made available by the parent company to enable it to continue operating and to meet its liabilities as they fall due.

The financial statements have been prepared using the going concern concept because the parent undertaking has agreed to provide sufficient funds to enable the company to meet all its liabilities as they fall due. It has also undertaken not to demand repayment of its existing loan, which at the year-end amounted to £2,591,250, (2016: £2,144,496) until such time as this can be done without prejudice to the ability of the company to pay its liabilities.

1.4 Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Notes to the financial statements
for the year ended 30 June 2017**

1.5 Turnover

Turnover comprises the amounts receivable, exclusive of Value Added Tax, for profits received from third parties from investments made in theatrical productions (see note 1.6 below). All turnover in the current and prior period originated in the UK.

1.6 Intangible fixed assets - investments in theatrical partnerships

As part of its operations, the company invests in certain assets or rights to use assets, generally in theatrical partnerships. These intangibles give the company the right to participate in the profits of productions it funds as funds become available. When the investment has been repaid in full, the right to participate in profits continues throughout the life of each production.

The director reviews the value of these intangibles and record impairment charges or any decline in value that is determined to be other than temporary. Determining the fair value of theatrical partnerships requires reliance on management's judgment and often involves the use of significant estimates and assumptions, including assumptions regarding future cash flows and expected asset lives amongst other things.

Investments in theatre productions are not amortised but stated at cost, less any provision for impairment and less any amounts recouped.

1.7 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.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

1.9 Share capital disclosure

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.10 Distribution to equity holders

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

**Notes to the financial statements
for the year ended 30 June 2017**

1.11 Financial Instruments Disclosure

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

1.12 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The most significant techniques for estimation are described in the accounting policies above.

2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2017 £	2016 £
Amortisation – investments in theatrical partnerships	=	<u>526,600</u>
Auditor's remunerations for audit services	<u>12,500</u>	<u>10,000</u>

During the year, no director received any emoluments as those services are incidental to their responsibilities.
(2016:£nil)

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Notes to the financial statements
for the year ended 30 June 2017**

3. Tax on profit/(loss) on ordinary activities**Analysis of the tax charge**

No liability to UK Corporation Tax arose on ordinary activities for the year ended 30 June 2017 nor for the year ended 30 June 2016.

The company has no tax charge in the current or prior period

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before taxation	125,117	(515,392)
Profit/ (loss) multiplied by the standard rate of corporation tax in the UK of 19.75% (2016 - 20%)	24,711	(103,078)
Effects of:		
Utilisation of tax losses	(24,711)	-
Unrecognised deferred tax	-	103,078
Total tax charge	-	-

Tax Losses

The company has unutilised tax losses of £1,600,486 (2016 - £1,725,603) which are available against future taxable profits.

Factors that may affect future tax charges

In his budget of 8 July 2015, the Chancellor of the Exchequer announced a reduction in the corporation tax rate to 19% for the Financial Year beginning 1 April 2017 and a further reduction to 18% for the Financial Year beginning 1 April 2020. These changes received Royal Assent on 18 November 2015. As these changes were substantively enacted at the balance sheet date, deferred tax has been calculated accordingly in these financial statements.

The Finance Bill 2016 provides for a further reduction in the corporation tax rate to 17% for the financial year beginning 1 April 2020. This change was substantively enacted on 6 September 2016.

Deferred Tax

A deferred tax asset has not been recognised in respect of tax losses of £1,600,486 (2016 - £1,725,603) at a tax rate of 17% (2016 – 19%), these losses represent a potential tax asset of £272,083 (2016 - £327,865). These losses would be recoverable in the event of taxable profits arising in this company.

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

Notes to the financial statements
for the year ended 30 June 2017

4. Intangible fixed assets

	<i>Investments in theatrical partnerships £</i>
Cost	
At 1 July 2016	1,239,558
Additions	400,000
Repayments	<u>(140,000)</u>
At 30 June 2017	<u>1,499,558</u>
Amortisation	
At 1 July 2016	1,239,558
Charge for the year	<u>-</u>
At 30 June 2017	<u>1,239,558</u>
Net book value	
At 30 June 2017	<u>260,000</u>
At 30 June 2016	<u>-</u>

5. Debtors

	<i>2017 £</i>	<i>2016 £</i>
Other debtors	<u>288</u>	<u>228</u>

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Notes to the financial statements
for the year ended 30 June 2017**

**6. Creditors:
Amounts falling due within one year**

	2017 £	2016 £
Amounts owed to group undertakings	2,591,250	2,144,496
Other creditors and accruals	25,667	20,418
	<u>2,616,917</u>	<u>2,164,914</u>

Amounts to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7. Called up share capital

	2017 £	2016 £
Allotted, called up and fully paid		
1- Ordinary share of £1	<u>1</u>	<u>1</u>

8. Post Balance Sheet Event

The Company, formerly KBE UK Theatre Limited, has changed its name to John Gore UK Theatre Company Limited on 19 October 2017.

9. Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclosure transactions with its parent or with members of the same group that are wholly owned.

10. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is The John Gore Organization Inc. a corporation registered in Delaware, USA.

The largest and smallest group for which consolidated financial statements are prepared which include John Gore Theatre Company Limited (formerly KBE UK Theatre Company Limited) is that of The John Gore Organization Inc.

The accounts of The John Gore Organization Inc. are not publically available.

The controlling party of John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited) is John Gore.

John Gore UK Theatre Company Limited (formerly KBE UK Theatre Company Limited)

**Notes to the financial statements
for the year ended 30 June 2017**

11. First Year adoption

The Company has transitioned to FRS 102 from previously being prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2015) as at 01 July 2016.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.