

YVONNE ARNAUD THEATRE (CATERING) LIMITED

ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2000

COMPANY NUMBER: 847430



SMITH & WILLIAMSON
Chartered Accountants
GUILDFORD

YVONNE ARNAUD THEATRE (CATERING) LIMITED**REPORT OF THE DIRECTORS**

The directors present their annual report together with the accounts for the year ended 5 April 2000.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the company remains the operation of the bar and catering facilities within the Yvonne Arnaud Theatre. Turnover decreased during the year largely due to changes in the types of shows programmed in the theatre. Whilst administrative expenses have been reduced, the company incurred a trading loss. The directors have taken steps to reduce fixed costs and anticipate a return to profit in the current financial year.

RESULTS AND DIVIDENDS

The operating loss for the year amounted to £17,712 (1999: profit £13,866). No charge has been paid in accordance with the provisions of the covenant agreement. The directors do not recommend the payment of a dividend. This loss has been deducted from reserves.

FIXED ASSETS

Details of movements in fixed assets are given in note 8 to the accounts.

DIRECTORS

The directors who served on the board during the year and their interests in the share capital at 5 April 2000 and 1999 were as follows:

	Ordinary shares	
	2000	1999
E F Garrett (died 26 June 1999)	-	-
Mrs M Burgess	-	-
Mrs J M Biggs	-	-
M M Clark	-	-
M R Clarkson Webb (appointed 10 January 2000)	-	-

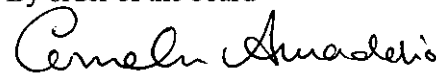
AUDITORS

The auditors, Smith & Williamson, have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

Yvonne Arnaud Theatre
Millbrook
Guildford
Surrey

10th July 2000

By order of the board


CARMELA AMADDIO
Secretary

YVONNE ARNAUD THEATRE (CATERING) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF
YVONNE ARNAUD THEATRE (CATERING) LIMITED

We have audited the accounts on pages 4 to 10 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Going concern

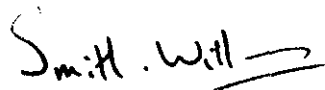
In forming our opinion we have considered the adequacy of the disclosures made in note 1b to the accounts, concerning the company's ability to continue as a going concern. In view of this uncertainty we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 5 April 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

GUILDFORD

10th July 2000


SMITH & WILLIAMSON
Chartered Accountants
Registered Auditors

YVONNE ARNAUD THEATRE (CATERING) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 5 APRIL 2000**

	Note	2000 £	1999 £
TURNOVER	2	669,536	734,005
Cost of sales		(523,909)	(534,391)
GROSS PROFIT		<u>145,627</u>	<u>199,614</u>
Administrative expenses		(163,339)	(185,748)
OPERATING (LOSS)/PROFIT		<u>(17,712)</u>	<u>13,866</u>
Interest receivable	3	254	-
Charges on covenant	7	-	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>(17,458)</u>	<u>13,866</u>
Taxation	6	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	13	<u>£(17,458)</u>	<u>£13,866</u>

All of the company's activities are classed as continuing.

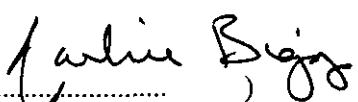
No statement of recognised gains or losses is required as there are no recognised gains or losses in the year other than the loss for the year.

A reconciliation of movements in shareholders' funds is shown as note 13 to the accounts.

YVONNE ARNAUD THEATRE (CATERING) LIMITEDBALANCE SHEETAS AT 5 APRIL 2000

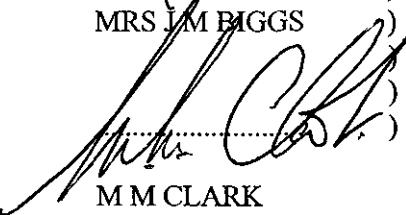
	Note	2000		1999	
		£	£	£	£
Tangible fixed assets	8		55,993		60,304
CURRENT ASSETS					
Stocks	9	14,739		16,422	
Debtors	10	21,383		16,442	
Cash at bank and in hand		25,751		34,563	
		<u>61,873</u>		<u>67,427</u>	
CREDITORS: amounts falling due within one year	11	<u>(151,477)</u>		<u>(143,884)</u>	
NET CURRENT LIABILITIES			(89,604)		(76,457)
			<u>£(33,611)</u>		<u>£(16,153)</u>
CAPITAL AND RESERVES					
Called up share capital	12		70,000		70,000
Profit and loss account	13		(103,611)		(86,153)
EQUITY SHAREHOLDERS' FUNDS	13		<u>£(33,611)</u>		<u>£(16,153)</u>

The accounts were approved by the board on 10th JULY 2000



 MRS J M BIGGS

) DIRECTORS



 M M CLARK

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2000****1. ACCOUNTING POLICIES****a) Accounting convention**

The accounts are prepared under the historical cost convention, in accordance with Applicable Accounting Standards.

b) Going concern

In assessing the applicability of the going concern basis, the directors have to consider the continued trading of Yvonne Arnaud Theatre Management Limited which provides trading premises. In the accounts of Yvonne Arnaud Theatre Management Limited the following assertions were made:

"For the year ended 5 April 2001, the company is predicting an operating deficit and continues to be in discussion with funding organisations to obtain additional support to cover this situation. If these negotiations are unsuccessful, there is doubt as to the Theatre's ability to remain open.

The directors have prepared the accounts on the going concern basis on the assumption that negotiations will be satisfactorily concluded".

c) Depreciation

Depreciation is charged on a straight line basis so as to write off the cost of tangible fixed assets over their estimated useful economic lives, which are as follows:-

Bar refurbishment	-	20 years
Catering equipment	-	5 years
Fixtures and fittings	-	5 years

d) Stocks

Stocks have been valued at the lower of cost or net realisable value.

2. TURNOVER

Turnover is attributable to the one principal activity of the company excluding value added tax and relates wholly to supplies to the United Kingdom market.

3. INTEREST RECEIVABLE

	2000	1999
	£	£
Bank deposit interest	£254	£ -
	==	==

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2000****4. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

This is stated after charging the following:

	2000 £	1999 £
Depreciation of tangible fixed assets	14,529	14,412
Auditors remuneration	4,200	4,200
Staff costs (note 5)	311,836	299,509
	<u> </u>	<u> </u>

5. STAFF COSTS

Wages and salaries	289,811	276,612
Social security costs	22,025	22,897
	<u>£311,836</u>	<u>£299,509</u>

Employee numbers for the comparative year do not include agency staff and staff on short term contracts. Due to a change in legislation such members of staff are now included as permanent employees.

The average monthly number of persons employed by the company during the year was as follows:-

	No.	No.
Management and administration	3	3
Kitchen	7	5
Coffee shop	6	3
Restaurant	3	
Figaros	3	
	<u>22</u>	<u>11</u>

Directors' Remuneration

None of the directors received any remuneration during the year.

6. TAXATION

There is no liability to UK Corporation tax based on the results for the year.

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2000****7. COVENANT**

Covenant to Yvonne Arnaud
Theatre Trust:

	2000	1999
	£	£
Based on the result for the year	-	-

The company entered into a covenant dated 9 November 1992, for a minimum period of 14 years, under which it has agreed to pay a sum equal to its annual taxable profits to the Yvonne Arnaud Theatre Trust.

8. TANGIBLE FIXED ASSETS

	Foyer Bar £	Figaro's Bar £	Fixtures & Fittings £	Catering Equipment £	Total £
Cost:					
At 6 April 1999	21,555	23,332	52,880	59,140	156,907
Additions	-	-	664	9,554	10,218
At 5 April 2000	<u>21,555</u>	<u>23,332</u>	<u>53,544</u>	<u>68,694</u>	<u>167,125</u>
Depreciation:					
At 6 April 1999	9,235	9,781	48,517	29,070	96,603
Charge for the year	1,078	1,200	1,773	10,478	14,529
At 5 April 2000	<u>10,313</u>	<u>10,981</u>	<u>50,290</u>	<u>39,548</u>	<u>111,132</u>
Net book value:					
At 5 April 2000	<u>£11,242</u>	<u>£12,351</u>	<u>£3,254</u>	<u>£29,146</u>	<u>£55,993</u>
At 5 April 1999	<u>£12,320</u>	<u>£13,551</u>	<u>£4,363</u>	<u>£30,070</u>	<u>£60,304</u>

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2000**

	2000 £	1999 £
9. STOCKS		
Goods for resale	14,739	16,422
	<u> </u>	<u> </u>
10. DEBTORS		
Trade debtors	17,573	14,474
Prepayments	3,810	1,968
	<u>£21,383</u>	<u>£16,442</u>
	<u> </u>	<u> </u>
11. CREDITORS: amounts falling due within one year		
Trade creditors	15,440	9,815
PAYE and NIC	4,910	8,024
VAT	14,864	30,422
Amounts owed to group undertakings	109,265	88,518
Accruals	6,998	7,105
	<u>£151,477</u>	<u>£143,884</u>
	<u> </u>	<u> </u>
12. SHARE CAPITAL		
Authorised:		
70,000 Ordinary shares of £1 each	£70,000	£70,000
	<u> </u>	<u> </u>
Allotted, called up, and fully paid:		
70,000 Ordinary shares of £1 each	£70,000	£70,000
	<u> </u>	<u> </u>

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2000****13. PROFIT AND LOSS ACCOUNT AND EQUITY SHAREHOLDERS' FUNDS**

	Profit and Loss account £	Share capital £	Shareholders' funds £
Brought forward at 6 April 1999	(86,153)	70,000	(16,153)
Loss for the year	(17,458)	-	(17,458)
Carried forward at 5 April 2000	<u>£(103,611)</u>	<u>£70,000</u>	<u>£(33,611)</u>

14. ULTIMATE HOLDING COMPANY

The ultimate holding company is Yvonne Arnaud Theatre Management Limited, a company incorporated in England and Wales.

15. RELATED PARTY TRANSACTIONS

During the year the company paid £27,500 to Yvonne Arnaud Theatre Management Limited for the provision of management services. At the year end the balance due to Yvonne Arnaud Theatre Management Limited was £27,184. This balance is unsecured and interest free.