

YVONNE ARNAUD THEATRE (CATERING) LIMITED

ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2002

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 2002.

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.

RESULTS AND DIVIDENDS

Turnover decreased by 4% in the year. This has resulted in an operating loss for the year of £3,758 (2001: profit £19,677). No charge has been paid in accordance with the provisions of the covenant agreement. The directors do not recommend the payment of a dividend.

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 2002 and 2001 were as follows:

	Ordinary shares	
	2002	2001
Mrs M Burgess	-	-
Mrs J M Biggs	-	-
M M Clark	-	-
M R Clarkson Webb	-	-

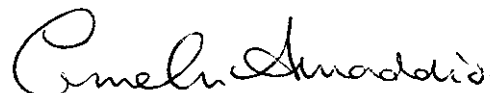
AUDITORS

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

5 June 2002

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.

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

We have audited the accounts of Yvonne Arnaud Theatre (Catering) Limited for the year ended 5 April 2002 on pages 4 to 10. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the 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.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 5 April 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

GUILDFORD**8 July 2002**
SMITH & WILLIAMSON
Chartered Accountants
Registered Auditors

YVONNE ARNAUD THEATRE (CATERING) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 5 APRIL 2002**

	Note	2002 £	2001 £
TURNOVER	2	655,842	685,559
Cost of sales		(452,008)	(455,992)
GROSS PROFIT		203,834	229,567
Administrative expenses		(207,592)	(209,890)
OPERATING (LOSS)/PROFIT		(3,758)	19,677
Interest receivable	3	-	210
Charges - covenant	7	-	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(3,758)	19,887
Taxation	6	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	13	£(3,758)	£19,887

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

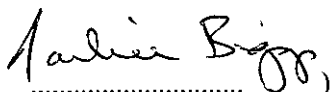
No statement of recognised gains or losses is required as there are no recognised gains or losses in the year other than the loss for the year.

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

YVONNE ARNAUD THEATRE (CATERING) LIMITED**BALANCE SHEET****AS AT 5 APRIL 2002**

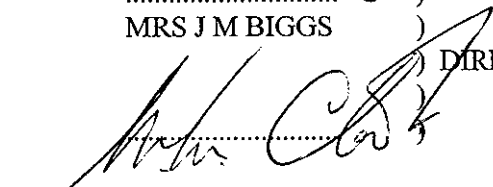
	Note	2002 £	2001 £
FIXED ASSETS			
Tangible fixed assets	8	58,896	47,501
CURRENT ASSETS			
Stocks	9	16,136	11,491
Debtors	10	9,111	53,822
Cash at Bank and in hand		95,353	25,762
		120,600	91,075
CREDITORS: amounts falling due within one year	11	(196,978)	(152,300)
NET CURRENT LIABILITIES		(76,378)	(61,225)
		£(17,482)	£(13,724)
CAPITAL AND RESERVES			
Called up share capital	12	70,000	70,000
Profit and loss account	13	(87,482)	(83,724)
EQUITY SHAREHOLDERS' FUNDS	13	£(17,482)	£(13,724)

The accounts were approved by the board on 5 June 2002



MRS J M BIGGS

DIRECTORS



M M CLARK

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2002****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 ending 5 April 2003, the company will be in receipt of a higher level of grant from funding bodies. A small operating deficit is predicted which can be financed within anticipated cashflows. The company continues to be in discussion with funding organisations to obtain additional financial support which will be essential to the continuation of activities after 5 April 2003.

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

	2002 £	2001 £
Bank deposit interest	£ -	£210

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2002****4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

This is stated after charging the following:

	2002	2001
	£	£
Depreciation of tangible fixed assets	16,913	15,166
Auditors remuneration	7,800	4,200
Staff costs (note 5)	283,893	269,975
Insurance proceeds re flood damage	20,028	-
	<u> </u>	<u> </u>

5. STAFF COSTS

Wages and salaries	263,450	249,663
Social security costs	20,443	20,312
	<u> </u>	<u> </u>
	£283,893	£269,975
	<u> </u>	<u> </u>

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

	No.	No.
Management and administration	2	3
Kitchen	5	6
Coffee shop	6	6
Restaurant	4	3
Figaros/bar staff	2	1
	<u> </u>	<u> </u>
	19	19
	<u> </u>	<u> </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 2002****7. COVENANT**

Covenant to Yvonne Arnaud
Theatre Trust:

	2002	2001
	£	£
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

	Bar & Restaurant Improvements £	Fixtures & Fittings £	Catering Equipment £	Total £
Cost:				
At 6 April 2001	45,551	52,880	75,368	173,799
Addition	28,850	954	1,781	31,585
Disposals	(7,285)	(12,360)	(2,822)	(22,467)
At 5 April 2002	67,116	41,474	74,327	182,917
Depreciation:				
At 6 April 2001	23,572	51,843	50,883	126,298
Charge for the year	5,164	970	10,779	16,913
Depreciation on disposals	(4,008)	(12,360)	(2,822)	(19,190)
At 5 April 2002	24,728	40,453	58,840	124,021
Net book value:				
At 5 April 2001	£21,979	£1,037	£24,485	£47,501
At 5 April 2002	£42,388	£1,021	£15,487	£58,896

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2002**

	2002 £	2001 £
9. STOCKS		
Goods for resale	£16,136	£11,491
10. DEBTORS		
Trade debtors	5,234	4,761
Amounts owed from group undertakings	1,401	47,029
Sundry debtors	422	726
Prepayments	2,054	1,306
	£9,111	£53,822
11. CREDITORS: amounts falling due within one year		
Trade creditors	32,087	27,047
PAYE and NIC	7,391	7,154
VAT	18,725	23,279
Amounts owed to group undertakings	131,786	87,948
Accruals	6,989	6,872
	£196,978	£152,300
12. SHARE CAPITAL		
Authorised:		
70,000 Ordinary shares of £1 each	£70,000	£70,000
Allotted, called up, and fully paid:		
70,000 Ordinary shares of £1 each	£70,000	£70,000

YVONNE ARNAUD THEATRE (CATERING) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 5 APRIL 2002****13. PROFIT AND LOSS ACCOUNT AND EQUITY SHAREHOLDERS' FUNDS**

	Profit and Loss account £	Share capital £	Shareholders' funds £
Brought forward at 6 April 2001	(83,724)	70,000	(13,724)
Loss for the year	(3,758)	-	(3,758)
Carried forward at 5 April 2002	£(87,482)	£70,000	£(17,482)

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 £57,500 (2001 : £55,000) to Yvonne Arnaud Theatre Management Limited, the ultimate holding company, for the provision of management services. This is considered to be a reasonable approximation to cost, including attributable overheads. At the year end the balance due to Yvonne Arnaud Theatre Management Limited was £89,333 (2001 : £47,029 due from Yvonne Arnaud Theatre Management Limited). This balance is unsecured and interest free.

Other inter-entity transactions during the year to 5 April 2002 are as follows:

	2002 £	2001 £
Yvonne Arnaud Theatre Management Limited		
Inter-company sales	£23,671	£19,613
Management charge	£(57,500)	£(55,000)
Insurance recharge	£(1,650)	£(1,650)
Advertising recharge	(£17,000)	(£17,000)
Loan	£(89,333)	£47,029
Yvonne Arnaud Theatre (Vanbrugh Club) Limited		
Commission	£(2,509)	£(2,929)
Loan	£(42,453)	£(40,472)
Yvonne Arnaud Theatre Trust		
Loan	£1,401	£(47,476)