

LYCEUM THEATRE TRADING LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2005



LYCEUM THEATRE TRADING LIMITED

Company Information

Directors Councillor Stephen Cardownie
Neil Menzies (appointed 13 June 2005)
Richard Keith (appointed 13 June 2005)

Company Secretary T M Company Services Limited

Registered Office Royal Lyceum Theatre
Grindlay Street
Edinburgh
EH3 9AX

Bankers Bank of Scotland
1 Castle Terrace
Edinburgh

Auditors Chiene & Tait, CA
61 Dublin Street
Edinburgh
EH3 6NL

Company Number SC125708

LYCEUM THEATRE TRADING LIMITED

DIRECTOR'S REPORT

The director submits his report and financial statements for the year ended 31 March 2005.

Principal activity

The company's principal activity during the year was the provision of bar and catering facilities.

Results

The trading profit for the year amounted to £60,934 (2004: £54,787). A contribution was made to the parent undertaking, The Royal Lyceum Theatre Company Limited, under gift aid of £60,934 (2004: £46,713). This resulted in a retained profit for the year of £Nil (2004: £8,074).

Director and his interests

The director during the year, together with his interests in the shares of the company, was as follows:

	Ordinary shares of £1 each	
	2005	2004
Councillor Stephen Cardownie	-	-

Statement of director's responsibilities

Company law requires the director to prepare financial statements 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 those financial statements, the director is required to:

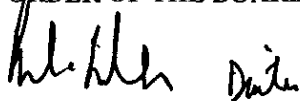
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business. The going concern basis of preparation is explained further in note 17 to the financial statements.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. 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.

Auditors

A resolution to reappoint Chiene & Tait, CA as auditors will be put to the shareholders at the Annual General Meeting.

BY ORDER OF THE BOARD



TM COMPANY SERVICES LIMITED
Company Secretary

16/11

2005



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF LYCEUM THEATRE TRADING LIMITED

We have audited the financial statements of Lyceum Theatre Trading Limited for the year ended 31 March 2005 set out on pages 4 to 9. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholder, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholder 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 shareholder, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements 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 Director's Report is not consistent with the financial statements, 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 information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Director's 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

CHIENE & TAIT, CA
Registered Auditors
61 Dublin Street
Edinburgh EH3 6NL

7 December 2005

LYCEUM THEATRE TRADING LIMITED**PROFIT and LOSS ACCOUNT****For the year ended 31 March 2005**

	Note	2005 £	2004 £
Turnover	2	210,838	220,221
Cost of sales		(126,429)	(146,168)
Gross profit		84,409	74,053
Administrative expenses		(23,589)	(20,135)
Operating profit	3	60,820	53,918
Interest receivable		1,369	869
Interest payable and similar charges	5	(1,255)	-
Contribution to parent undertaking under gift aid		(60,934)	(46,713)
Profit on ordinary activities before taxation		-	8,074
Taxation	6	-	-
Retained profit for the financial year		-	8,074

All results relate to continuing activities.

A Statement of Total Recognised Gains and Losses is not shown as all gains and losses are recognised in the profit and loss account.

The notes on pages 6 to 9 form part of these financial statements.

LYCEUM THEATRE TRADING LIMITED

BALANCE SHEET

As at 31 March 2005

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	7	18,935	4,109
Current assets			
Stocks	8	6,933	6,114
Debtors	9	9,158	7,153
Cash at bank and in hand		71,639	33,848
		<u>87,730</u>	<u>47,115</u>
Creditors: Amounts falling due within one year	10	<u>(100,681)</u>	<u>(51,222)</u>
Net current liabilities		<u>(12,951)</u>	<u>(4,107)</u>
Total assets less current liabilities		<u>5,984</u>	<u>2</u>
Creditors: Amounts falling due after more than one year	11	<u>(5,982)</u>	<u>-</u>
Net assets		<u><u>2</u></u>	<u><u>2</u></u>
Capital and reserves			
Share capital	13	2	2
Profit and loss account	14	-	-
Equity shareholder's funds	15	<u><u>2</u></u>	<u><u>2</u></u>

Approved by the Director:


STEPHEN CARDOWNIE

24.11. 2005

The notes on pages 6 to 9 form part of these financial statements.

LYCEUM THEATRE TRADING LIMITED

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2005

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with generally accepted accounting standards in the United Kingdom.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Bar and room hire equipment - over 5 years

Leasing commitments

Assets held under hire purchase contracts are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Cash flow statement

The company is a wholly owned subsidiary of The Royal Lyceum Theatre Company Limited and the cash flows of the company are included in the cash flow statement of The Royal Lyceum Theatre Company Limited. Consequently the company is exempt under the terms of FRS 1 from preparing a cash flow statement.

2. Turnover

Turnover includes bar, catering and merchandise receipts and is stated net of value added tax.

3. Operating profit

	2005 £	2004 £
This is stated after charging:		
Auditors' remuneration	1,800	2,350
Depreciation – owned assets	2,975	2,276
Depreciation – leased assets	3,663	-
Loss on disposal of tangible fixed assets	608	-
	<u> </u>	<u> </u>

4. Staff costs

	2005 £	2004 £
Wages and salaries	28,257	45,221
Social security costs	1,659	1,648
Pension costs	-	63
	<u> </u>	<u> </u>
	29,916	46,932
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

Bar and catering staff	<u>6</u>	<u>7</u>
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The director received no remuneration in the year (2004: £Nil).

LYCEUM THEATRE TRADING LIMITED

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2005

5. Interest payable and similar charges	2005	2004
	£	£

Hire purchase contracts	1,255	-
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6. Taxation	2005	2004
	£	£

Charge for the year	-	-
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Factors affecting the tax charge for the year:

Profit on ordinary activities before taxation	-	8,074
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Profit on ordinary activities multiplied by standard rate of Corporation tax 19%	-	1,534
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Effects of:

Expenses not deductible for tax purposes	-	52
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Advance capital allowances	1,377	30
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Profits taxable at starting rate	(1,377)	(1,616)
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Profits in the company are transferred by way of gift aid to the parent undertaking.

7. Tangible fixed assets	Bar and Room Hire Equipment
	£

Cost

At 1 April 2004	63,226
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Additions	22,072
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Disposals	(20,626)
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At 31 March 2005	64,672
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Depreciation

At 1 April 2004	59,117
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Provided during the year	6,638
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Disposals	(20,018)
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At 31 March 2005	45,737
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Net book value

At 31 March 2005	18,935
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At 31 March 2004	4,109
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Included within the net book value of £18,935 (2004: £4,109) is £16,329 (2004: £Nil) relating to assets held under hire purchase contracts.

LYCEUM THEATRE TRADING LIMITED

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2005

8. Stocks	2005	2004
	£	£

Goods for resale	6,933	6,114
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9. Debtors	2005	2004
	£	£

Trade debtors	4,014	4,236
Other debtors	4,469	-
Prepayments and accrued income	675	2,917
	9,158	7,153

10. Creditors: amounts falling due within one year	2005	2004
	£	£

Trade creditors	5,017	16,097
Amounts owed to parent undertaking	76,731	25,628
Social security and other taxes	5,055	5,139
Obligations under hire purchase contracts (note 12)	6,504	-
Accruals	7,374	4,358
	100,681	51,222

11. Creditors: amounts falling due after more than one year	2005	2004
	£	£

Obligations under hire purchase contracts (note 12)	5,982	-
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12. Obligations under hire purchase contracts

Obligations under hire purchase contracts are repayable by monthly instalments as follows:	2005	2004
	£	£

Amounts payable within one year	7,632	-
Amounts payable between one and two years	6,996	-

Gross amounts payable	14,628	-
Less: interest allocated to future periods	(2,142)	-
	12,486	-

Analysed:		
Due within one year	6,504	-
Due after more than one year	5,982	-
	12,486	-

LYCEUM THEATRE TRADING LIMITED

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2005

13. Share capital

	Authorised No.	Allotted & Called Up £
Ordinary shares of £1 each	100	2

14. Profit and loss account

	2005 £	2004 £
At 1 April 2004	-	(8,074)
Retained profit for the year	-	8,074
At 31 March 2005	-	-

15. Reconciliation of movements in equity shareholder's funds

	2005 £	2004 £
At 1 April 2004	2	(8,072)
Retained profit for the year	-	8,074
At 31 March 2005	2	2

16. Parent undertaking

The parent undertaking and immediate controlling party throughout the year was The Royal Lyceum Theatre Company Limited, which is limited by guarantee and incorporated in Scotland.

In the director's opinion, there is no ultimate controlling party.

17. Going concern

The company depends on funding from its parent undertaking, The Royal Lyceum Theatre Company Limited, to meet the claims of creditors as they fall due. The parent undertaking is dependent on grants and facilities being obtained from outside sources.

18. Related party transactions

At the year end the company owed £15,797 to its parent undertaking, The Royal Lyceum Theatre Company Limited. In addition, the company owed its parent undertaking £60,934, representing the contribution of its profits for the year under gift aid, leaving a balance of £76,731 owed to the parent undertaking.