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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2018**

THURSDAY



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28/02/2019  
COMPANIES HOUSE

<b>THEATRE ROYAL BATH (TRADING) LIMITED</b>
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**COMPANY INFORMATION**

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<b>Director</b>	D G Moar
<b>Company secretary</b>	G M Akbar
<b>Registered number</b>	02353880
<b>Registered office</b>	Theatre Royal Bath Sawclose Bath BA1 1ET
<b>Independent auditor</b>	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor Portwall Place Portwall Lane Bristol BS1 6NA

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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**DIRECTOR'S REPORT  
FOR THE YEAR ENDED 31 MAY 2018**

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The director presents his report and the financial statements for the year ended 31 May 2018.

**Principal activity**

The company's principal activities are the procurement of sponsorship for The Theatre Royal Bath, the operation of all the catering facilities situated within The Theatre Royal and a ticket booking agency.

After making enquiries, the directors have reasonable expectations that the company has adequate resources to continue operations for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

**Director**

The director who served during the year was:

D G Moar

**Disclosure of information to auditor**

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 auditor is 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 auditor is aware of that information.

**Auditor**

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

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

This report was approved by the board and signed on its behalf.



D G Moar  
Director

Date: 22nd February 2019

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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**DIRECTOR'S RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MAY 2018**

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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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements 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.

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 to 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.

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## THEATRE ROYAL BATH (TRADING) LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF THEATRE ROYAL BATH (TRADING) LIMITED

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#### Opinion

We have audited the financial statements of Theatre Royal Bath (Trading) Limited (the 'Company') for the year ended 31 May 2018, which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 Financial Reporting Standard 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 May 2018 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. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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 director is responsible for the other information. The other information comprises the information included in the Director's Report and Financial Statements, other than the financial statements and our Auditor's Report thereon. 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.

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## THEATRE ROYAL BATH (TRADING) LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF THEATRE ROYAL BATH (TRADING) LIMITED (CONTINUED)

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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.

#### **Opinion 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 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 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; or
- the director was 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 Director's Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the Director's Responsibilities Statement on page 2, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF THEATRE ROYAL BATH (TRADING)  
LIMITED (CONTINUED)**

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**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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**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.

*Nexia Smith & Williamson*

Fiona Westwood (Senior Statutory Auditor)

for and on behalf of

**Nexia Smith & Williamson**

Chartered Accountants

Statutory Auditor

Portwall Place

Portwall Lane

Bristol

BS1 6NA

Date: *27 February 2019*



**THEATRE ROYAL BATH (TRADING) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2018**

	Note	2018 £	As restated 2017 £
Turnover		294,375	304,744
Cost of sales		(121,397)	(111,169)
<b>Gross profit</b>		<b>172,978</b>	<b>193,575</b>
Administrative expenses		(110,124)	(127,324)
<b>Operating profit</b>		<b>62,854</b>	<b>66,251</b>
Interest receivable and similar income		63	7
<b>Profit before tax</b>		<b>62,917</b>	<b>66,258</b>
Tax on profit	5	-	-
<b>Profit for the financial year</b>		<b>62,917</b>	<b>66,258</b>

There was no other comprehensive income for 2018 (2017: £NIL).

**THEATRE ROYAL BATH (TRADING) LIMITED**  
**REGISTERED NUMBER: 02353880**

**BALANCE SHEET**  
**AS AT 31 MAY 2018**

	Note	2018 £	2017 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	93,739	40,829
Cash at bank and in hand		28,523	30,994
		<u>122,262</u>	<u>71,823</u>
Creditors: amounts falling due within one year	6	(73,138)	(19,358)
<b>Net current assets</b>		<u>49,124</u>	<u>52,465</u>
<b>Total assets less current liabilities</b>		<u>49,124</u>	<u>52,465</u>
<b>Net assets</b>		<u>49,124</u>	<u>52,465</u>
<b>Capital and reserves</b>			
Called up share capital	7	2	2
Profit and loss account		49,122	52,463
		<u>49,124</u>	<u>52,465</u>

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 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
*22nd February 2019.*



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**D G Moar**  
 Director

**THEATRE ROYAL BATH (TRADING) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2018**

	Share capital	Profit and loss account	Total equity
	£	£	£
At 1 June 2017 (as previously stated)	2	1,466	1,468
Prior year adjustment (note 1.1)	-	50,997	50,997
At 1 June 2017 (as restated)	<u>2</u>	<u>52,463</u>	<u>52,465</u>
<b>Comprehensive income for the year</b>			
Profit for the year	-	62,917	62,917
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>62,917</u>	<u>62,917</u>
Distribution of profits by way of donation to parent charity	-	(66,258)	(66,258)
<b>At 31 May 2018</b>	<u><u>2</u></u>	<u><u>49,122</u></u>	<u><u>49,124</u></u>

**THEATRE ROYAL BATH (TRADING) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2017**

	Share capital £	Profit and loss account £	Total equity £
At 1 June 2016 (as previously stated)	2	1,466	1,468
Prior year adjustment (note 1.1)	-	53,076	53,076
At 1 June 2016 (as restated)	<u>2</u>	<u>54,542</u>	<u>54,544</u>
<b>Comprehensive income for the year</b>			
Profit for the year	-	66,258	66,258
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>66,258</u>	<u>66,258</u>
Distribution of profits by way of donation to parent charity	-	(68,337)	(68,337)
<b>At 31 May 2017</b>	<u><u>2</u></u>	<u><u>52,463</u></u>	<u><u>52,465</u></u>

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## THEATRE ROYAL BATH (TRADING) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Theatre Royal Bath (Trading) Limited is a private limited company incorporated in England and Wales. The address of the registered office is Theatre Royal Bath, Sawclose, Bath, BA1 1ET.

The financial statements have been prepared under the historical cost convention and in accordance with Schedule 1A Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The accounting policies have been applied consistently from prior years, save that (1) the donation to the parent charity is now recognised on a paid basis rather than an accruals basis and is disclosed as a distribution rather than a charge to profit and loss; and (2) the taxation accounting policy has been amended such that tax is only provided on any profit arising which is not expected to be donated to the parent charity within nine months of the year end.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### 1.2 Turnover

Turnover is obtained from catering at The Theatre Royal Bath, the procurement of sponsorship, the operation of the 1805 Entertaining Suite situated within The Theatre Royal and the Ticket Booking Agency. Turnover is shown net of VAT.

Turnover is recognised once the services or goods are provided.

##### 1.3 Going concern

During the year the company made an operating profit and ended the year with net assets, and there are no indications that the company will be unable to continue its activities for the foreseeable future. The directors have assessed that the company is a going concern and the financial statements have therefore been prepared on this basis.

##### 1.4 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt

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## THEATRE ROYAL BATH (TRADING) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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#### 1. Accounting policies (continued)

##### 1.4 Financial instruments (continued)

instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

##### 1.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

##### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

No provision is made for current or deferred tax on any profits arising in the year which are expected to be offset by the carry back of future donations to the parent charity.

The current tax charge is based on the remaining taxable profit for the year. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Other than as described above, deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018**

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**2. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

The director does not consider there are significant estimates or judgements made during the preparation of the financial statements.

**3. Employees**

The company does not employ its own staff directly. It paid a management charge of £73,832 (2017: £87,726) and administrative wages of £28,512 (2017: £31,656) to its holding company during the year for administration purposes and other services.

The remuneration of the director is paid by The Theatre Royal Bath Limited. Although an amount could be apportioned to the services provided by Theatre Royal Bath (Trading) Limited, the director considers that this amount is immaterial.

**4. Taxation on profit on ordinary activities**

There is no charge for corporation tax or deferred tax as the profits will be offset by the carry back of a future donation to The Theatre Royal Bath Limited.

**5. Debtors**

	2018	(as restated) 2017
	£	£
Trade debtors	26,704	24,598
Amounts owed by group undertakings	66,865	16,085
Prepayments and accrued income	170	146
	<u>93,739</u>	<u>40,829</u>

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**THEATRE ROYAL BATH (TRADING) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2018**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>369</b>	<b>198</b>
Other taxation and social security	<b>13,339</b>	<b>12,700</b>
Accruals and deferred income	<b>59,430</b>	<b>6,460</b>
	<b>73,138</b>	<b>19,358</b>

**7. Share capital**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
2 (2017 - 2) Ordinary shares of £1.00 each	<b>2</b>	<b>2</b>

**8. Ultimate Controlling Party**

The immediate and ultimate controlling party is The Theatre Royal Bath Limited, a company limited by guarantee and incorporated in England and Wales. Copies of the group financial statements of The Theatre Royal Bath Limited are available from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF4 2UZ.



**THEATRE ROYAL BATH (TRADING) LIMITED**

**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2018**

	Note	2018 £	2017 £
Turnover		294,375	304,744
Cost Of Sales		(121,397)	(111,169)
<b>Gross profit</b>		<u>172,978</u>	<u>193,575</u>
<b>Gross profit %</b>		58.8 %	63.5 %
<b>Less: overheads</b>			
Administration expenses		(110,124)	(127,324)
<b>Operating profit</b>		<u>62,854</u>	<u>66,251</u>
Interest receivable		63	7
<b>Profit for the year</b>		<u><u>62,917</u></u>	<u><u>66,258</u></u>

**THEATRE ROYAL BATH (TRADING) LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2018**

	2018 £	2017 £
<b>Turnover</b>		
Sponsorship income	22,743	33,083
Merchandise income	8,589	10,129
Other income	18,805	20,448
Catering income	244,238	241,084
	<u>294,375</u>	<u>304,744</u>
	2018 £	2017 £
<b>Cost of sales</b>		
Purchases - raw materials	10,411	13,831
Wages and salaries	110,986	97,324
National insurance	-	14
	<u>121,397</u>	<u>111,169</u>
	2018 £	2017 £
<b>Administration expenses</b>		
Staff salaries	28,512	31,656
Staff national insurance	2,359	2,722
Entertainment	30	-
Hotels, travel and subsistence	86	173
Advertising and promotion	42	-
Auditor's remuneration	2,450	2,200
Accountancy fees	2,050	2,000
Bank charges	25	25
Sundry expenses	738	822
Management charges	73,832	87,726
	<u>110,124</u>	<u>127,324</u>
	2018 £	2017 £
<b>Interest receivable</b>		
Bank interest receivable	<u>63</u>	<u>7</u>