

Registered number
01921674

AVC Productions Limited

Report and Accounts

31 December 2011

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**AVC Productions Limited
Company Information**

Directors

P C Hill
R J Lane

Secretary

R J Lane

Auditors

Colston Bush
Chartered Accountants
Lacemaker House
5 - 7 Chapel Street
Marlow
Buckinghamshire
SL7 3HN

Bankers

Barclays Bank Plc
Thames Valley Corporate Banking Centre
PO Box 2481, 60 Queens Road
Reading
Berkshire
RG1 4XX

Registered office

242-243 Gresham Road
Slough
Berkshire
SL1 4PH

Registered number

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AVC Productions Limited**Registered number:**

01921674

Directors' Report

The directors present their report and accounts for the year ended 31 December 2011

Principal activities

The company's principal activity during the year continued to be event management and the hire of audio visual equipment and services

During the year under review the trading results of the company were considered to be very good in relation to the adverse economic climate. The Board continued its strategy of investing heavily in new equipment, leaving the company in a strong position to take advantage of future opportunities.

The management and operation of the company is subject to a number of risks. Risks are formally reviewed by the board and where possible appropriate processes put in place to monitor and mitigate them.

The key business risks affecting the company are -

- Competition
- Continued downturn in general economic environment

Future developments

The directors aim to continue the management policies which have resulted in the consolidation of the company's market position.

Dividends

The profit for the year, after taxation, amounted to £654,390. The directors do not recommend a final dividend. Interim dividends of £600,000 were paid during the year which leaves a surplus of £54,390 to be added to shareholder's reserves brought forward.

Directors

The following persons served as directors during the year

P C Hill
R J Lane

Political and charitable donations

During the year, the company made various charitable contributions totalling £1,601.

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are 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 accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 accounts,

AVC Productions Limited

Registered number:

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Directors' Report

- 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 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 them to ensure that the accounts comply with the Companies Act 2006. 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

This report was approved by the board on 19th April 2012 and signed on its behalf



P C Hill
Director

AVC Productions Limited
Independent auditors' report
to the shareholders of AVC Productions Limited

We have audited the accounts of AVC Productions Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 31 December 2011 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

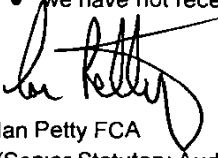
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 accounts are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit


Ian Petty FCA
(Senior Statutory Auditor)
for and on behalf of
Colston Bush
Accountants and Statutory Auditors

Lacemaker House
5 - 7 Chapel Street
Marlow
Buckinghamshire
SL7 3HN

24 April 2012

AVC Productions Limited
Profit and Loss Account
for the year ended 31 December 2011

	Notes	2011 £	2010 £
Turnover	2	6,983,068	7,578,082
Cost of sales		(4,465,173)	(4,905,745)
Gross profit		<u>2,517,895</u>	<u>2,672,337</u>
Administrative expenses		(1,650,865)	(1,603,810)
Other operating income		31,040	31,040
Operating profit	3	<u>898,070</u>	<u>1,099,567</u>
Interest receivable		263	55
Interest payable	6	(20,263)	(34,184)
Profit on ordinary activities before taxation		<u>878,070</u>	<u>1,065,438</u>
Tax on profit on ordinary activities	7	(223,680)	(302,394)
Profit for the financial year		<u>654,390</u>	<u>763,044</u>

Continuing operations

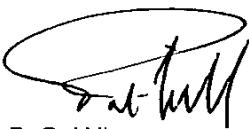
None of the company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years

AVC Productions Limited
Balance Sheet
as at 31 December 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	8	1,190,176	1,111,587
Investments	9	<u>2</u>	<u>2</u>
		1,190,178	1,111,589
Current assets			
Stocks	10	21,294	19,594
Debtors	11	1,654,936	2,428,194
Cash at bank and in hand		<u>480,120</u>	<u>426,523</u>
		2,156,350	2,874,311
Creditors: amounts falling due within one year	12	(1,557,861)	(2,260,707)
Net current assets		<u>598,489</u>	<u>613,604</u>
Total assets less current liabilities		<u>1,788,667</u>	<u>1,725,193</u>
Creditors: amounts falling due after more than one year	13	(142,392)	(133,308)
Net assets		<u>1,646,275</u>	<u>1,591,885</u>
Capital and reserves			
Called up share capital	17	10,000	10,000
Capital redemption reserve	18	10,000	10,000
Profit and loss account	19	1,626,275	1,571,885
Shareholders' funds	21	<u>1,646,275</u>	<u>1,591,885</u>



P C Hill

Director

Approved by the board on 19th April 2012

AVC Productions Limited
Cash Flow Statement
for the year ended 31 December 2011

	Notes	2011 £	2010 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		898,070	1,099,567
Depreciation charges and (profit) / loss on disposal		373,067	791,040
(Increase)/decrease in stocks		(1,700)	353
Decrease/(increase) in debtors		729,271	(621,789)
(Decrease)/increase in creditors		(553,633)	758,186
Net cash inflow from operating activities		<u>1,445,075</u>	<u>2,027,357</u>
CASH FLOW STATEMENT			
Net cash inflow from operating activities		1,445,075	2,027,357
Returns on investments and servicing of finance	22	(20,000)	(34,129)
Taxation		(339,682)	(30,868)
Capital expenditure	22	<u>(451,656)</u>	<u>(798,042)</u>
		633,737	1,164,318
Equity dividends paid		<u>(600,000)</u>	<u>(700,000)</u>
		33,737	464,318
Financing	22	19,860	(34,766)
Increase in cash		<u>53,597</u>	<u>429,552</u>
Reconciliation of net cash flow to movement in net debt			
Increase in cash in the period		53,597	429,552
(Increase)/decrease in debt and lease financing		(19,860)	34,766
Change in net debt	23	<u>33,737</u>	<u>464,318</u>
Net funds/(net debt) at 1 January		156,971	(307,347)
Net funds at 31 December		<u>190,708</u>	<u>156,971</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Financial statements

The financial statements present information about the company as an individual undertaking and not about its group. In the opinion of the directors the dormant subsidiary is considered to be immaterial and accordingly group accounts are not required

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers

Depreciation

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

Leasehold premises and improvements	over the lease term
Plant and machinery	25%
Short life equipment	50%
Motor vehicles	25%

Stocks

Stock is valued at the lower of cost and net realisable value

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Analysis of turnover	2011	2010
	£	£
By activity		
Principal continuing activity	<u>6,983,068</u>	<u>7,578,082</u>
By geographical market		
UK	6,602,636	7,351,666
Europe	310,716	226,416
North America	60,854	-
Rest of world	<u>8,862</u>	<u>-</u>
	<u>6,983,068</u>	<u>7,578,082</u>
 3 Operating profit	 2011	 2010
	£	£
This is stated after charging		
Depreciation of owned fixed assets	583,495	663,231
Depreciation of assets held under finance leases and hire purchase contracts	84,765	118,905
Operating lease rentals - plant and machinery	24,258	43,884
Operating lease rentals - land and buildings	313,324	312,286
Auditors' remuneration for audit services	17,400	17,400
Auditors' remuneration for other services	<u>5,515</u>	<u>3,960</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

4 Directors' emoluments	2011	2010
	£	£
Emoluments	259,861	282,557
Company contributions to money purchase pension schemes	43,875	18,714
	<u>303,736</u>	<u>301,271</u>
 Highest paid director		
Emoluments	202,596	227,238
Company contributions to money purchase pension schemes	39,675	14,100
	<u>242,271</u>	<u>241,338</u>
 Number of directors in company pension schemes	2011	2010
	Number	Number
Money purchase schemes	<u>2</u>	<u>2</u>
 5 Staff costs	2011	2010
	£	£
Wages and salaries	1,913,138	1,813,487
Social security costs	206,509	203,679
Other pension costs	48,298	21,314
	<u>2,167,945</u>	<u>2,038,480</u>
 Average number of employees during the year	Number	Number
Administration	15	12
Production	<u>52</u>	<u>47</u>
	<u>67</u>	<u>59</u>
 6 Interest payable	2011	2010
	£	£
Bank loans and overdrafts	-	1,454
Other interest	56	-
Finance charges payable under finance leases and hire purchase contracts	20,207	32,730
	<u>20,263</u>	<u>34,184</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

7 Taxation	2011 £	2010 £
Analysis of charge in period		
Current tax		
UK corporation tax on profits of the period	179,693	340,598
Deferred tax		
Origination and reversal of timing differences	43,987	(38,204)
 Tax on profit on ordinary activities	 <u>223,680</u>	 <u>302,394</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2011 £	2010 £
Profit on ordinary activities before tax	<u>878,070</u>	<u>1,065,438</u>
Standard rate of corporation tax in the UK	26%	28%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	228,298	298,323
Effects of		
Expenses not deductible for tax purposes	5,287	5,703
Capital allowances for period in excess of depreciation	(44,495)	41,243
Other adjustments, including marginal relief and prior year	(9,397)	(4,671)
 Current tax charge for period	 <u>179,693</u>	 <u>340,598</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

8 Tangible fixed assets

	Short leasehold premises and improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2011	342,744	6,425,480	158,509	6,926,733
Additions	5,000	703,855	64,651	773,506
Disposals	-	(809,882)	-	(809,882)
At 31 December 2011	<u>347,744</u>	<u>6,319,453</u>	<u>223,160</u>	<u>6,890,357</u>
Depreciation				
At 1 January 2011	208,010	5,516,076	91,060	5,815,146
Charge for the year	32,202	601,718	34,340	668,260
On disposals	-	(783,225)	-	(783,225)
At 31 December 2011	<u>240,212</u>	<u>5,334,569</u>	<u>125,400</u>	<u>5,700,181</u>
Net book value				
At 31 December 2011	<u>107,532</u>	<u>984,884</u>	<u>97,760</u>	<u>1,190,176</u>
At 31 December 2010	<u>134,734</u>	<u>909,404</u>	<u>67,449</u>	<u>1,111,587</u>

	2011 £	2010 £
Net book value of fixed assets included above held under finance leases and hire purchase contracts	<u>213,586</u>	<u>227,751</u>

9 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 January 2011	2
At 31 December 2011	<u>2</u>

The company holds 20% or more of the share capital of the following companies

Company	Shares held Class	%	Capital and reserves £	Profit (loss) for the year £
Audio Visual Communications Limited	Ordinary	100	2	-

Audio Visual Communications Limited has been dormant since incorporation

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

10 Stocks	2011 £	2010 £
Raw materials and consumables	<u>21,294</u>	<u>19,594</u>
The difference between purchase price or production cost of stocks and their replacement cost is not material		
11 Debtors	2011 £	2010 £
Trade debtors	1,304,114	2,033,310
Deferred tax asset (see note 15)	140,597	184,584
Other debtors	51,028	44,065
Prepayments and accrued income	<u>159,197</u>	<u>166,235</u>
	<u>1,654,936</u>	<u>2,428,194</u>
Amounts due after more than one year included in Deferred tax asset	<u>140,597</u>	<u>184,584</u>
12 Creditors: amounts falling due within one year	2011 £	2010 £
Obligations under finance lease and hire purchase contracts	147,020	136,244
Trade creditors	750,222	877,919
Corporation tax	180,609	340,598
Other taxes and social security costs	251,983	405,117
Other creditors	54,090	345,630
Accruals and deferred income	<u>173,937</u>	<u>155,199</u>
	<u>1,557,861</u>	<u>2,260,707</u>
13 Creditors: amounts falling due after one year	2011 £	2010 £
Obligations under finance lease and hire purchase contracts	<u>142,392</u>	<u>133,308</u>
14 Obligations under finance leases and hire purchase contracts	2011 £	2010 £
Amounts payable		
Within one year	147,020	136,244
Within two to five years	<u>142,392</u>	<u>133,308</u>
	<u>289,412</u>	<u>269,552</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

15 Deferred taxation	2011 £	2010 £
Accelerated capital allowances	<u>(140,597)</u>	<u>(184,584)</u>
Undiscounted provision for deferred tax	<u>(140,597)</u>	<u>(184,584)</u>

	2011 £	2010 £
At 1 January	(184,584)	(146,380)
Deferred tax charge in profit and loss account	43,987	(38,204)
At 31 December	<u>(140,597)</u>	<u>(184,584)</u>

In accordance with FRS 19 the deferred tax asset is included in current assets

The directors consider that the deferred tax asset could be recovered in the future

16 Bank security

Bank facilities are secured by a fixed and floating charge dated 15th May 2003 over the assets of the company

17 Share capital	Nominal value	2011 Number	2011 £	2010 £
Allotted, called up and fully paid Ordinary shares	£1 each	10,000	<u>10,000</u>	<u>10,000</u>

18 Capital redemption reserve	2011 £
At 1 January 2011	10,000
At 31 December 2011	<u>10,000</u>

19 Profit and loss account	2011 £
At 1 January 2011	1,571,885
Profit for the financial year	654,390
Dividends	(600,000)
At 31 December 2011	<u>1,626,275</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

20 Dividends	2011 £	2010 £
Dividends for which the company became liable during the year		
Dividends paid	<u>600,000</u>	<u>700,000</u>

21 Reconciliation of movement in shareholders' funds	2011 £	2010 £
At 1 January	1,591,885	1,528,841
Profit for the financial year	654,390	763,044
Dividends	(600,000)	(700,000)
At 31 December	<u>1,646,275</u>	<u>1,591,885</u>

22 Gross cash flows	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	263	55
Interest paid	(56)	(1,454)
Interest element of finance lease rental payments	<u>(20,207)</u>	<u>(32,730)</u>
	<u>(20,000)</u>	<u>(34,129)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	(773,506)	(809,364)
Receipts from sales of tangible fixed assets	<u>321,850</u>	<u>11,322</u>
	<u>(451,656)</u>	<u>(798,042)</u>
Financing		
Capital element of finance lease rental payments	<u>19,860</u>	<u>(34,766)</u>

23 Analysis of changes in net debt	At 1 Jan 2011 £	Cash flows £	Non-cash changes £	At 31 Dec 2011 £
Cash at bank and in hand	426,523	<u>53,597</u>		480,120
Finance leases	(269,552)	<u>(19,860)</u>		(289,412)
Total	<u>156,971</u>	<u>33,737</u>	<u>-</u>	<u>190,708</u>

AVC Productions Limited
Notes to the Accounts
for the year ended 31 December 2011

24 Capital commitments	2011	2010
	£	£
Amounts contracted for but not provided in the accounts	<u>7,222</u>	<u>21,803</u>

25 Pension commitments

As explained in the accounting policies set out in pages 8 to 9, the company operates a defined contribution scheme with the contributions paid in the accounting period charged to the profit and loss account. The pension charge for the period amounted to £48,298 (2010 £21,314).

26 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	Land and buildings	Other	Other
	2011	2010	2011	2010
	£	£	£	£
Operating leases which expire				
within one year	2,250	-	8,508	4,381
within two to five years	315,819	116,514	1,430	17,979
in over five years	-	206,296	-	-
	<u>318,069</u>	<u>322,810</u>	<u>9,938</u>	<u>22,360</u>

27 Related party transactions	2011	2010
	£	£
P. C. Hill		
Director and shareholder		
Dividends paid during the year to Mr P. C. Hill totalling £480,000		
A. Hill		
Director and shareholder		
Dividends paid during the year to Mrs A. Hill totalling £120,000		
P. C. Hill		
Director and shareholder		
Loan to company, interest free and repayable on demand		
Amount due (to) the related party	(45,680)	(336,738)

28 Ultimate controlling party

The company is controlled by Mr P. C. Hill, a director and majority shareholder.

AVC Productions Limited
Detailed profit and loss account
for the year ended 31 December 2011

	2011 £	2010 £
Sales	6,983,068	7,578,082
Cost of sales	(4,465,173)	(4,905,745)
Gross profit	<u>2,517,895</u>	<u>2,672,337</u>
Administrative expenses	(1,650,865)	(1,603,810)
Other operating income	31,040	31,040
Operating profit	<u>898,070</u>	<u>1,099,567</u>
Interest receivable	263	55
Interest payable	(20,263)	(34,184)
Profit before tax	<u>878,070</u>	<u>1,065,438</u>

AVC Productions Limited
Detailed profit and loss account
for the year ended 31 December 2011

	2011 £	2010 £
Sales		
Sales	<u>6,983,068</u>	<u>7,578,082</u>
Cost of sales		
Purchases and direct costs	2,034,490	1,970,144
Wages and social security costs	1,548,773	1,460,009
Motor van leasing	20,277	40,073
Motor van expenses	104,285	96,641
Plant hire	483,430	646,463
(Profit) / loss on disposal of plant	(295,219)	5,010
Depreciation of plant and equipment	<u>569,137</u>	<u>687,405</u>
	<u>4,465,173</u>	<u>4,905,745</u>
Administrative expenses		
Employee costs		
Directors' remuneration	177,000	175,000
Directors' benefits in kind	59,387	83,605
Directors' pensions	43,875	18,714
Wages and social security costs	393,874	382,157
Benefits in kind	581	543
Pensions	4,423	2,600
Staff training and recruitment	25,503	19,203
Staff welfare	11,544	9,492
Travel and subsistence	7,242	5,954
Motor expenses	5,153	6,828
Entertaining	<u>9,519</u>	<u>10,701</u>
	<u>738,101</u>	<u>714,797</u>
Premises costs		
Rent	313,324	312,286
Rates and service charges	117,781	127,841
Light and heat	<u>22,551</u>	<u>29,319</u>
	<u>453,656</u>	<u>469,446</u>
General administrative expenses		
Telephone and fax	31,960	28,429
Printing, stationery and postage	18,305	17,051
Bank charges	9,261	15,651
Insurance	79,815	80,538
Office equipment hire and lease	3,981	3,811
Repairs and maintenance	152,282	125,443
Depreciation	99,123	94,731
Loss on disposal fixed assets	26	3,894
Bad debts	200	7,191
Sundry expenses	<u>4,707</u>	<u>4,617</u>
	<u>399,660</u>	<u>381,356</u>

AVC Productions Limited
Detailed profit and loss account
for the year ended 31 December 2011

	2011	2010
	£	£
Legal and professional costs		
Audit fees	17,400	17,400
Accountancy fees	5,515	3,960
Legal and professional fees	6,572	5,380
Advertising and PR	29,961	11,471
	<u>59,448</u>	<u>38,211</u>
	<u>1,650,865</u>	<u>1,603,810</u>
Other operating income		
Other operating income	<u>31,040</u>	<u>31,040</u>