

EVENT CONCEPT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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EVENT CONCEPT LIMITED

COMPANY INFORMATION

Directors	M F Beaver P M Beaver
Company secretary	P M Beaver
Registered number	02977277
Registered office	Units B2-B4 Galleywall Trading Estate Galleywall Road London SE16 3PB
Independent auditor	Nexia Smith & Williamson Statutory Auditor & Chartered Accountants 25 Moorgate London EC2R 6AY

EVENT CONCEPT LIMITED

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EVENT CONCEPT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present the Strategic Report and financial statements for the year ended 31 March 2019.

Fair review of the business

The directors are pleased with the year's results which has seen continuous growth better than forecasted. A key driver to that has been the focus on customer retention and targeting a diverse portfolio of events. Event Concept won an award for Conference of the Year at C&IT Awards, which is a testament to the direction the Company is heading to become a leading event production company.

Building a strong foundation has been a priority this year with investments in infrastructure, people, IT and security. The directors are delighted to announce the appointment of a COO who is fully committed to business improvement, spearheading efficiency and process development initiatives throughout the business.

Future direction

The Company will be following its previous years strategy of focusing on delivering quality events, over the quantity. It will continue to drive efficiency throughout its operations, introducing digital systems where they can be seen to add value. 2019 will see the development work to integrate with Salesforce to go live in 2020, which will lead to greater efficiency and better sales reporting in its sales process.

The Company is also seeking to iron out some of the peaks and troughs in its pipeline by looking for complimentary work in new areas of the event market, that are busy outside its predominantly corporate season.

Environment and sustainability

The Company recognises it has a duty to create a sustainable operation. An increasing awareness of environmental impact within the sector could lead to increased demands for more sustainable options or changes to the current business model. Our sustainability strategy covers our environmental impact, our ability to create a sustainable working environment for our people and to ensure sustainable growth as a business. Event Concept has maintained ISO14001 to ensure environmental best practice and we are continuing to seek out new and innovative ways to reduce the footprint that our events leave. We are already zero to landfill and in the year have moved to ensure that our facility is run on 100% sustainable energy. We are a London Living Wage accredited business and believe that paying our people at a level which facilitates the reality of living and working in London is vital.

Key performance indicators

The directors consider the key performance indicators to be:

	2019	2018
Turnover	£13.3m	£11.2m
Gross Profit (as a percentage of turnover)	25.6%	24.1%

EVENT CONCEPT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Principal risks and uncertainties

The Company manages its risk by holding regular management meeting to discuss and take action to mitigate any impact on the business. Event Concept identifies the below items as key risk and uncertainties.

Competitiveness

The events industry is very competitive, Event Concept is very much aware of its competition. This competitive nature acts as a driver to produce memorable events and showcase design and creativeness that is a cut above the rest. This is helped by investment in high end Audio Visual and Lighting technology as well as the recruitment of extremely talented and diverse workforce. Increased investment in marketing has helped to maintain key clients and to target areas with greater value and return.

Recruitment & Retention

The current level of economic uncertainty in the UK brings with it a level of uncertainty for the event industry and the Company. A less positive economic outlook could have a detrimental impact on our business in terms of reduced demand which could impact our workforce. Employee costs represent the largest operating cost for the Company and any Brexit related issues which could lead to a requirement to downside could have significant financial impact. Uncertainty in the economy could lead to increased turnover which could lead to higher than expected recruitment and training costs along with operational disruption. We are reducing any possible risk through increased employee engagement, investment in training and significant adoption of the UK government apprenticeship scheme to feed talent into the business.

GDPR

A failure to comply with the General Data Protection Regulation (GDPR), which came into force in May 2018, could result in penalties and could have a negative impact on our brand. In the year we appointed a Data Protection Officer (DPO) to oversee the completion of our GDPR compliance project. Our DPO is on hand to answer any questions which may come about internally on GDPR and to facilitate Data Protection Impact Assessments for all new processes adopted.

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

P M Beaver
Director



Date:

18 May 2020

EVENT CONCEPT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and the financial statements for the year ended 31 March 2019.

Principal activity

The principal activity of the business focused on providing high end event production and design services mainly within the unique venues of London by our in-house production design, lighting, audio-visual, set and stage design teams and floral design.

Results and dividends

The profit for the year, after taxation, amounted to £218,424 (2018 restated: £44,981).

Dividends of £100,000 (2018: £115,000) were paid in the year.

Directors

The directors who served during the year were:

M F Beaver
P M Beaver

Matters covered in the strategic report

Where necessary, disclosures relating to principal risks & uncertainties, future developments and results & dividends have been made in the Strategic Report and have not been repeated here in accordance with Section 414C of the Companies Act 2006.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director 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.

This information is given and should be interpreted in accordance with s418 of the Companies Act 2006.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

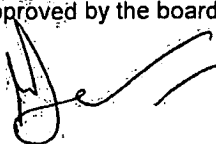
Auditor

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

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

P M Beaver
Director

Date:


15th May 2020

EVENT CONCEPT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

The directors are responsible for preparing the Strategic Report, the Directors' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements 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 financial statements, the directors are 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; and
- prepare the financial statements 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 to enable them to ensure that the financial statements 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVENT CONCEPT LIMITED

Opinion

We have audited the financial statements of Event Concept Limited (the 'Company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the Notes to the Financial Statements, 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 FRS 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 March 2019 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 UK, including the FRC'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVENT CONCEPT LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have 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 Strategic Report or the Directors' Report.

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 financial statements 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVENT CONCEPT LIMITED (CONTINUED)

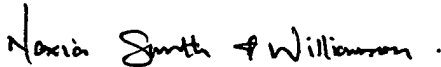
Auditor's responsibilities for the audit of the financial statements

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. 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.



Chetan Mistry (Senior Statutory Auditor)

for and on behalf of
Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

25 Moorgate
London

EC2R 6AY

Date: 15/01/2020

EVENT CONCEPT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	<i>As restated</i> 2018 £
Turnover	4	13,298,316	11,247,721
Cost of sales		(9,904,586)	(8,533,841)
Gross profit		3,393,730	2,713,880
Administrative expenses		(3,090,335)	(2,620,102)
Operating profit	5	303,395	93,778
Interest payable and expenses	8	(14,677)	(16,349)
Profit before tax		288,718	77,429
Tax on profit	9	(70,294)	(32,448)
Profit for the financial year		218,424	44,981

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

The notes on pages 11 to 25 form part of these financial statements.

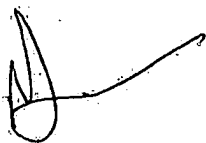
EVENT CONCEPT LIMITED
REGISTERED NUMBER:02977277

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	10	2,230,378	2,021,231
		<u>2,230,378</u>	<u>2,021,231</u>
Current assets			
Stocks	11	111,607	96,992
Debtors	12	1,711,094	1,414,416
Cash at bank and in hand		276,937	369,903
		<u>2,099,638</u>	<u>1,881,311</u>
Creditors: amounts falling due within one year	13	(3,062,464)	(2,748,478)
Net current liabilities		<u>(962,826)</u>	<u>(867,167)</u>
Total assets less current liabilities		<u>1,267,552</u>	<u>1,154,064</u>
Creditors: amounts falling due after more than one year	14	(182,218)	(210,498)
Provisions for liabilities			
Deferred tax	17	(140,783)	(117,439)
		<u>(140,783)</u>	<u>(117,439)</u>
Net assets		<u>944,551</u>	<u>826,127</u>
Capital and reserves			
Called up share capital	18	100	100
Profit and loss account	19	944,451	826,027
		<u>944,551</u>	<u>826,127</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

P M Beaver
Director



Date:

15 May 2020

The notes on pages 11 to 25 form part of these financial statements.

EVENT CONCEPT LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2017	100	896,046	896,146
Profit for the year (restated)	-	44,981	44,981
Dividends: Equity capital	-	(115,000)	(115,000)
At 1 April 2018 (as restated)	100	826,027	826,127
Profit for the year	-	218,424	218,424
Dividends: Equity capital	-	(100,000)	(100,000)
At 31 March 2019	100	944,451	944,551

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Event Concept Limited is a private company, limited by shares, domiciled and incorporated in England and Wales. The address of the registered office is Units B2-B4 Galleywall Trading Estate, Galleywall Road, London, SE16 3PB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemptions under the reduced disclosure framework

The Company meets the definition of a qualifying entity under FRS 102 and has taken advantage of the disclosure exemptions in respect of:

- the exemption from preparing a statement of cash flows;
- the exemption from disclosing key management personnel; and
- reduced disclosures for share based payments and financial instruments (as equivalent disclosures have been given in the consolidated financial statements)

2.3 Going concern

The directors have made an assessment in preparing these financial statements as to whether the Company is a going concern and have concluded that there are no material uncertainties that may cast doubt on the Company's ability to continue as a going concern.

2.4 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable net of discounts, VAT and other sales related taxes.

Turnover in respect of pre-production activities is recognised at the point where planning activities for an event have been completed.

Turnover in respect of production activities is recognised on the date at which the event takes place.

Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and recognised in the Statement of Financial Position as part of creditors due within one year.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets under construction represent plant and equipment which is being developed for the future economic benefit of the Company. This is recognised at cost less impairment and include costs of construction and directly attributable staff costs. Depreciation of these assets commence when they are capable of use.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Land and buildings leasehold	- Over the term of the lease
Lighting and audio visual equipment	- 20% reducing balance
Staging equipment	- 25% reducing balance
Floral equipment and props	- 33% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- Straight line over the expected useful life to a maximum of 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.9 Stocks and WIP

Stocks are not held for sale, but are consumables expected to be consumed during events. These are stated at cost less any impairment. At each reporting date, an assessment is made for impairment. This is based on the current condition and future usability, and is recognised as a loss in the Statement of Comprehensive Income. Reversals of impairment losses are also recognised in the Statement of Comprehensive Income. This year stock items were impaired by 25% of their cost.

WIP costs comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

2.10 Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.10 Financial instruments (continued)

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.12 Research and development

All expenditure on research and development is recognised as an expense in the period it is incurred.

2.13 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Employee benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered.

Contributions to defined contribution pension schemes are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the Balance Sheet.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Judgements

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as product life cycles, technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life the asset and projected disposal values.

EVENT CONCEPT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Turnover from the sale of goods and provision of services	13,298,316	11,247,721
	<u>13,298,316</u>	<u>11,247,721</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	13,146,194	11,177,196
Rest of Europe	87,062	70,525
Rest of the world	65,060	-
	<u>13,298,316</u>	<u>11,247,721</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2019 £	<i>As restated</i> 2018 £
Research & development costs	3,774	36,828
Exchange losses/(gains)	3,633	(1,056)
Business rates refund	-	(80,440)
Fees payable to the Company's auditor for the audit of the Company's financial statements	15,500	11,025
Depreciation of owned tangible fixed assets	349,529	446,884
Depreciation of tangible fixed assets held under finance leases	158,937	165,664
Loss on disposal of tangible fixed assets	13,146	11,454
Operating lease charges	<u>448,496</u>	<u>434,864</u>

The business rates refund, shown above, was a one off credit and is not expected to recur in future years.

EVENT CONCEPT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Employees

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

	2019 £	2018 £
Directors	2	2
Office and administration	9	8
Sales and operations	52	46
Warehousing	34	30
	<u>97</u>	<u>86</u>

Their aggregate remuneration was as follows:

	2019 £	2018 £
Wages and salaries	3,274,220	2,976,619
Social security costs	377,396	331,673
Pension costs	122,938	110,090
	<u>3,774,554</u>	<u>3,418,382</u>

7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	177,659	175,420
Company contributions to defined contribution pension schemes	13,100	11,845
	<u>190,759</u>	<u>187,265</u>

8. Interest payable and similar expenses

	2019 £	2018 £
Interest on bank overdrafts and loans	609	1,217
Interest on finance leases and hire purchase contracts	14,068	15,132
	<u>14,677</u>	<u>16,349</u>

EVENT CONCEPT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	<u>46,950</u>	<u>38,955</u>
Deferred tax		
Origination and reversal of timing differences	<u>23,344</u>	<u>(6,507)</u>
Taxation on profit on ordinary activities	<u><u>70,294</u></u>	<u><u>32,448</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>288,718</u>	<u>77,429</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	54,856	14,712
Effects of:		
Fixed asset differences	10,738	-
Expenses not deductible for tax purposes	7,229	6,663
Permanent capital allowances in excess of depreciation	-	(83,735)
Depreciation on assets not qualifying for tax allowances	-	108,370
Research and development tax credit	-	(9,096)
Other non-reversing timing differences	-	(136)
Deferred tax adjustments in respect of prior years	(2,725)	(6,507)
Deferred tax not recognised	196	-
Other tax adjustments	-	2,177
Total tax charge for the year	<u><u>70,294</u></u>	<u><u>32,448</u></u>

EVENT CONCEPT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

10. Tangible fixed assets

	Land and buildings leasehold £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 April 2018 (as previously stated)	534,356	3,122,209	338,055	828,370	-	4,822,990
Prior Year Adjustment	-	-	-	168,911	-	168,911
At 1 April 2018 (as restated)	534,356	3,122,209	338,055	997,281	-	4,991,901
Additions	63,558	337,697	49,050	99,826	221,541	771,672
Disposals	-	(258,657)	(125,740)	(69,985)	-	(454,382)
Transfers between classes	-	126,089	-	-	(126,089)	-
At 31 March 2019	597,914	3,327,338	261,365	1,027,122	95,452	5,309,191
Depreciation						
At 1 April 2018 (as previously stated)	336,986	1,823,896	196,568	480,889	-	2,838,339
Prior Year Adjustment	-	-	-	132,331	-	132,331
At 1 April 2018 (as restated)	336,986	1,823,896	196,568	613,220	-	2,970,670
Charge for the year	26,625	328,751	38,861	114,229	-	508,466
Disposals	-	(227,608)	(102,944)	(69,771)	-	(400,323)
At 31 March 2019	363,611	1,925,039	132,485	657,678	-	3,078,813
Net book value						
At 31 March 2019	234,303	1,402,299	128,880	369,444	95,452	2,230,378
At 31 March 2018 (as restated)	197,370	1,298,313	141,487	384,061	-	2,021,231

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	<u>628,526</u>	<u>669,460</u>
	2019 £	2018 £
Depreciation charge for the year in respect of leased assets	<u>158,937</u>	<u>165,664</u>

11. Stocks and work in progress

	2019 £	As restated 2018 £
Work in progress	56,603	51,257
Stocks	55,004	45,735
	<u>111,607</u>	<u>96,992</u>

12. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	35,000	35,000
Due within one year		
Trade debtors	1,050,690	948,091
Other debtors	29,921	9,440
Prepayments and accrued income	595,483	421,885
	<u>1,711,094</u>	<u>1,414,416</u>

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

13. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	7,053	21,086
Trade creditors	1,332,944	1,105,906
Amounts owed to group undertakings	19,100	19,100
Corporation tax	46,950	38,955
Other taxation and social security	348,172	320,163
Obligations under finance lease	192,789	247,924
Other creditors	50,195	43,051
Accruals and deferred income	1,065,261	952,293
	<u>3,062,464</u>	<u>2,748,478</u>

Bank loans above of £7,053 (2018: £21,086) due to National Westminster Bank Plc are secured upon the assets of the Company.

14. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	-	7,053
Net obligations under finance leases	182,218	203,445
	<u>182,218</u>	<u>210,498</u>

Bank loans in the prior year of £7,053 due to National Westminster Bank Plc were secured upon the assets of the Company.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Bank loans and overdrafts	7,053	21,086
Amounts falling due 1-2 years		
Bank loans and overdrafts	-	7,053
	<u>7,053</u>	<u>28,139</u>

The Company has a business loan from National Westminster Bank Plc which is secured upon the Company's assets. The loan carries an interest rate of 2.85% p.a. over the Base Rate and is repayable over a 5 year period. The final instalment of the loan repayments was paid after the year end, in July 2019.

16. Finance lease obligations

Minimum lease payments under finance leases fall due as follows:

	2019 £	2018 £
Within one year	192,789	247,924
Between 1-5 years	182,218	203,445
	<u>375,007</u>	<u>451,369</u>

Finance lease payments represent rentals payable by the Company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. Deferred taxation

	2019 £	2018 £
At beginning of year	(117,439)	(123,946)
Charged to profit or loss	(23,344)	6,507
At end of year	(140,783)	(117,439)

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	143,303	119,296
Other timing differences	(2,520)	(1,857)
	140,783	117,439

The UK Government has announced future tax changes to the corporation tax rate. These changes resulted in a decrease in the standard rate of corporation tax to 20% for the 2016/17 tax year, falling to a rate of 19% for the 2017/18, 2018/19 and 2019/20 tax years and eventually culminating in a rate of 17% by 2020/21.

As at 31 March 2019 all such changes have been substantively enacted and have therefore been reflected in the calculation of deferred tax for the year ended 31 March 2019.

18. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares of £1.00 each	100	100

19. Reserves

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £122,938 (2018: £110,090). Contributions totalling £14,822 (2018: £9,776) were payable to the fund at the reporting date and are included in creditors.

21. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	463,134	457,552
Later than 1 year and not later than 5 years	1,840,036	1,843,161
Later than 5 years	1,321,841	1,814,238
	<u>3,625,011</u>	<u>4,114,951</u>

22. Related party transactions

The Company has taken advantage of the exemptions under Section 33.1A and consequently has not disclosed transactions with members of the group where the corresponding entity is wholly owned by the parent company, The Event Concept Group Limited.

During the year, the Company advanced £101,166 (2018: £154,453) to the directors of the Company. The advances are unsecured, interest free and repayable on demand. During the year, amounts of £107,579 (2018: £148,461) were repaid to the Company. The maximum outstanding during the year was £5,598 (2018: £19,810). At the year end, the total amount owed by the Company amounted to £1,481 (2018: owed to the Company £4,932). No amounts were waived during the year (2018: £Nil).

During the year, the Company made purchases from a close family member of the directors totalling £9,744 (2018: £7,608). At year end, the balance owed by the Company was £Nil (2018: £4,872),

During the year, the Company paid commission and fees to a business owned by a close family member of the directors totalling £2,594 (2018: £7,608). At the year end, the balance owed by the Company was £Nil (2018: £Nil).

EVENT CONCEPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

23. Ultimate controlling party

The Company's ultimate party company is The Event Concept Group Limited, a company registered in England and Wales.

The smallest and largest group in which these financial statements are consolidated is The Event Concept Group Limited. A copy of their financial statements can be obtained from the company's registered office at Units B2-B4 Galleywall Trading Estate, Galleywall Road, London SE16 3PB.

The Company's ultimate controlling party is P.M. Beaver by virtue of his shareholding in The Event Concept Group Limited.

24. Prior year adjustment

The Directors have reviewed the basis for recognising and presenting floral props utilised by the Company. Floral props were previously recognised as Stock, however, the Directors are of the opinion that these items should be accounted for as a tangible fixed asset. To aid comparability a prior year adjustment has been recognised in relation to the year ended 31 March 2018 to reflect capitalised Floral assets, increasing the cost of fixed assets by £168,911, depreciation by £132,331 with a net profit and loss impact of £90,157. The profit and loss impact is the net of depreciation charged and previous stock provisions now reversed at 31 March 2018. This has resulted in a £90,157 reduction in net assets at 31 March 2018. There is no impact on reserves at 1 April 2017.